

Idaho Economic Forecast

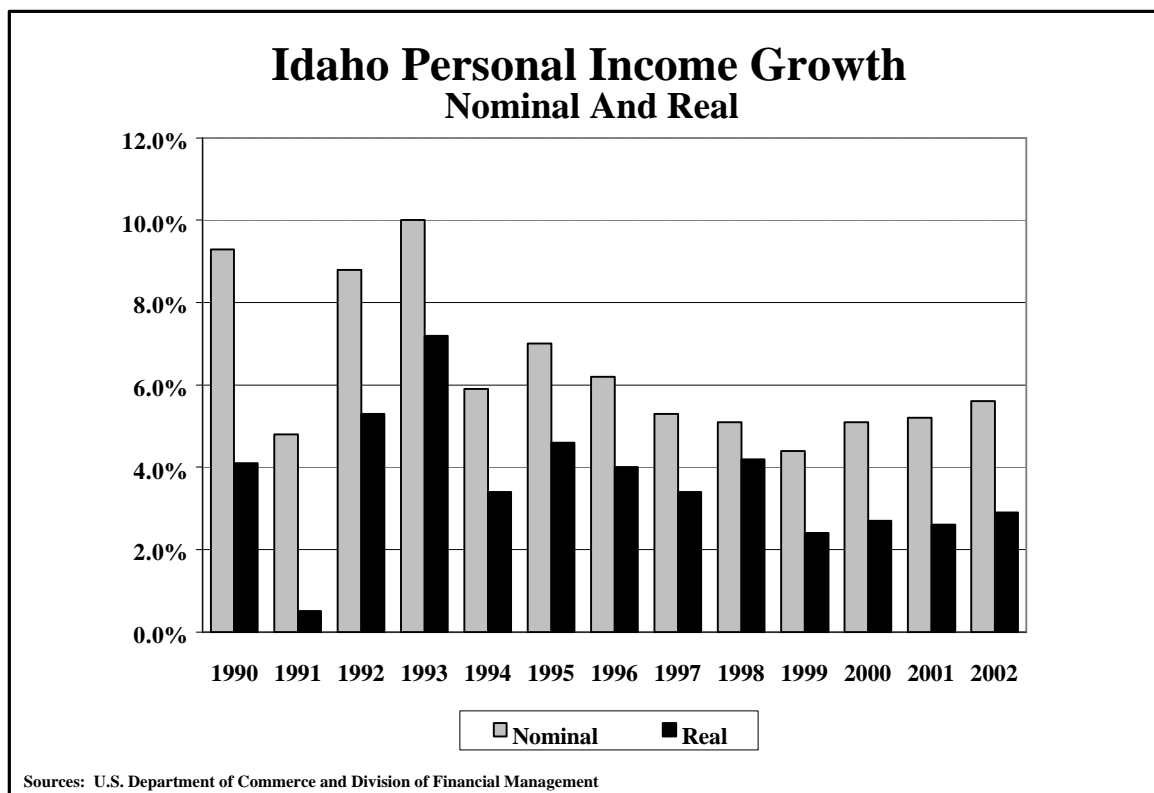
Dirk Kempthorne, Governor

Division of Financial Management

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- Forecast 1998-2002
- Responding to Asia's Crises
- Alternative Forecasts



**Idaho
Economic
Forecast
1998 - 2002**

State of Idaho
Dirk Kempthorne
Governor

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PREFACE

Idaho has entered its second century of statehood on solid economic ground. After nearly a decade of stop and start economic performance, the 1980s closed with a much-welcomed economic expansion. While not as sharp as the boom years of the 1970s, today's employment and income growth are exceptional in comparison to the 1980s. Much of the current expansion results from Idaho's successful adjustment (and sometimes painful restructuring) of its key basic industries.

Our traditional industries, such as lumber and wood products, food processing, and mining, have become more competitive. Our high-tech sector, which includes Hewlett-Packard, Zilog, and Micron Technology, has bucked recent national trends and undergone substantial expansion. In addition, the tourism and travel sectors have benefited from past investments in such projects as the Coeur d'Alene Resort, the convention centers in Boise and Nampa, and the Kellogg Gondola. Thus, the restructured Idaho economy is better positioned to exploit growth opportunities that will arise this decade, and is expected to sustain solid growth well through the 1990s.

A particularly satisfying aspect of the Gem State's passage into the 1990s is the broad base of economic health in Idaho today. Tourism, high-tech manufacturing, and the commercial sectors are thriving. After persevering through hard times, Idahoans are enjoying the benefits of the state's economic success on a wide geographical basis. Many of Idaho's rural communities that lagged urban growth rates during the 1980s have grown recently. Almost two-thirds of Idaho cities lost population during the previous decade. Many are now rebounding.

While many changes are taking place today, other traditional factors still hold firm. Most notably, Idaho's economy remains directly tied to its resource base. While displaying more resilience to downturns than in the past, these industries are not totally immune from business cycle effects. This heavy dependency on natural resources will bring a host of challenges as Idaho enters the next century. These include competition among agriculture, fisheries, and expanding population needs for water and energy; the environmental impacts of the economically important mining, timber, agricultural, and tourism industries; and the many other pressures of an expanding population on the state's natural and fiscal resources.

Other factors that are external to the state's economy will present challenges this decade to public and private decision makers. Public policy decisions made in Washington, D.C. affect resource industry and federal installations such as the Idaho National Engineering and Environmental Laboratory near Idaho Falls and the Mountain Home Air Force Base. Finding balanced and acceptable solutions to endangered and threatened species issues and timber supply issues are of major economic significance.

In order to deal effectively with these challenges, public and private decisions need to be made with a thorough understanding of the structure of the state's economy. It is to this end that the *Idaho Economic Forecast* is directed.

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TABLE OF CONTENTS

Preface.....	iii
Introduction.....	2
Executive Summary	5
Idaho and U.S. Forecast Summary Tables.....	6
Forecast Description:	
National	8
Idaho.....	14
Forecasts Comparison.....	20
Alternative Forecasts.....	22
Feature Article	
Responding to Asia's Crises	25
Forecast Detail.....	29
Annual Forecast	30
Quarterly Forecast.....	44
Appendix.....	59
DRI U.S. Macroeconomic Model.....	60
Idaho Economic Model.....	62
Equations.....	64
Endogenous Variables.....	68
Exogenous Variables.....	70

INTRODUCTION

The national forecast presented in this publication is the November 1998 Standard and Poor's DRI baseline forecast of the U.S. economy. The October 1998 *Idaho Economic Forecast* was based on the September 1998 DRI national forecast.

The historical and forecasted growth rates for Idaho nominal personal income and real personal income are shown in the cover chart of this *Idaho Economic Forecast*. The most notable feature of this graphic is the significant slowing of income growth compared to earlier years of the 1990s. In three of the six years from 1990 to 1995, Idaho nominal personal income grew by 8.0% or more. In contrast, this measure has grown faster than 6.0% annually in only one year (1996) since then. It is not expected to rise above this level through the forecast horizon. Real personal income displays a similar pattern. It grows faster than 4.0% in 1998, but is expected to drop below that pace in the remaining years of the forecast. It grew faster than 4.0% in the four years from 1990 to 1995.

FEATURE

"Responding to Asia's Crises" is the title of this issue's feature article. It is a natural sequel to the Ramon Moreno article entitled "What Caused East Asia's Financial Crises" that was reprinted in the October 1998 *Idaho Economic Forecast*. More than a year after the financial crises broke out in Asia, the world still waits for signs of a sustained recovery in this region. In this article, Mr. Moreno attempts to identify reasons why the Asian recovery has been so sluggish and why finding the appropriate economic policy for solving the crisis is not straightforward. Mr. Moreno is a Senior Economist with the Federal Reserve Bank of San Francisco.

THE FORECAST

Alternative assumptions concerning future movements of key economic variables can lead to major variations in national and/or regional outlooks. DRI examines the effects of different economic scenarios, including the potential impacts of international recessions; higher inflation; and future Federal Reserve Board decisions. Alternative Idaho economic forecasts were developed under different policy and growth scenarios at the national level. These forecasts are described in the text.

Historical and forecast data for Idaho and the U.S. are presented in the tables in the middle section of this report. Detail is provided for every year from 1983 to 2002 and for every quarter from 1996 through 2001. The solution of the Idaho Economic Model for this forecast begins with the third quarter of 1998.

Descriptions of the DRI U.S. Macroeconomic Model and the Idaho Economic Model are provided in the Appendix. Equations of the Idaho Economic Model and variable definitions are listed in the last pages of this publication.

CHANGES

The employment numbers that appear in this publication are based on monthly data supplied by the Idaho Department of Labor. These data extend through the third quarter of 1998. The estimates for all of the months in the first half of 1998 are benchmarked, while the monthly estimates for the third quarter are preliminary. All the monthly data have been seasonally adjusted and converted into quarterly estimates by

DFM. The benchmarked data suggest that total nonfarm employment in the second quarter of 1998 was about 4,400 higher than was reported in October 1998. And the preliminary third quarter data for 1998 show employment was about 4,100 higher the amount previously forecasted.

The tables in this forecast include the U.S. Department of Commerce's Bureau of Economic Analysis' (BEA) estimates of Idaho quarterly personal income through the second quarter of 1998. The BEA is scheduled to release the next round of Idaho personal income estimates in late January 1999. These estimates will run through the third quarter of 1998.

The *Idaho Economic Forecast* is available on the Internet at <http://www.state.id.us/dfm/econinfo.htm>. Readers with any questions should contact Derek Santos at (208) 334-3900 or at dsantos@dfm.state.id.us.

SUBSCRIPTIONS

You can access the *Idaho Economic Forecast* for free at <http://www2.state.id.us/dfm/econinfo.htm>.

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EXECUTIVE SUMMARY

The outlook for Idaho employment over the next few years has improved since the October 1998 *Idaho Economic Forecast* was published. The biggest change is in 1998. Previously, it was anticipated that nonfarm employment in the Gem State would rise 2.2%. In the current forecast, this same measure is expected to increase 2.9%. All of this improvement reflects the stronger-than-expected job picture in the second and third quarters of 1998. New data show that employment was more than 4,000 higher than previously estimated in each of these quarters. The higher employment numbers in 1998 will not have much of an impact beyond raising the starting point for the current forecast. As was mentioned above, the nonfarm employment growth rate in 1998 has been raised from 2.2% to 2.9%. However, employment expands at roughly the same rate in the remaining years of this forecast as it did in the previous forecast. Specifically, it is forecast to rise 1.6% in 1999, 2.2% in 2000, 2.1% in 2001, and 2.5% in 2002. In the previous forecast it was expected to rise 1.6% in 1999, 2.1% in both 2000 and in 2001, and 2.6% in 2002. Idaho personal income displays a similar pattern. Idaho nominal personal income grows 4.4% in 1999, 5.1% in 2000, 5.2% in 2001, and 5.6% in 2002. This is about the same as in the previous forecast. Idaho real personal income is forecast to rise 2.4% in 1999, 2.7% in 2000, 2.6% in 2001, and 2.9% in 2002.

This is not surprising because the national outlook has not changed dramatically. After a scare last fall, things appear to have changed in the economy's favor. Although it appears the "Goldilocks economy" has escaped the bears, it is still not out of the woods. A couple of traps that could stall or reverse the economy's progress remain. The greatest danger is internal. The U.S. economy's recent success is in no small part due to the strong consumer confidence that has fueled spending. However, as the first few years after the 1990-91 recession have taught us, consumers can be fickle. One troublesome development in the extremely low savings rate in the U.S. over the past year. Should consumer confidence suddenly go south, it could lead the economy into a recession. A less serious problem, but a problem nonetheless, is Japan. While most of the other Asian countries that faced crises have seen their economies stabilize recently, Japan's economy remains a basket case. While steps have been taken to shore up the banking system of Asia's economic engine, only time will tell if these moves will successfully restart Japan's economy. The current forecast assumes that the "Goldilocks economy" will avoid most traps. Therefore, no recession is anticipated over the forecast period.

IDAHO ECONOMIC FORECAST

EXECUTIVE SUMMARY

JANUARY 1999

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
GDP (BILLIONS)										
Current \$	6,558	6,947	7,270	7,662	8,111	8,489	8,775	9,158	9,547	10,014
% Ch	5.0%	5.9%	4.6%	5.4%	5.9%	4.7%	3.4%	4.4%	4.2%	4.9%
1992 Chain-Weighted	6,390	6,611	6,762	6,995	7,270	7,531	7,661	7,837	7,999	8,200
% Ch	2.3%	3.5%	2.3%	3.4%	3.9%	3.6%	1.7%	2.3%	2.1%	2.5%
PERSONAL INCOME - CURR \$										
Idaho (Millions)	19,475	20,628	22,071	23,430	24,681	25,932	27,074	28,460	29,943	31,624
% Ch	10.0%	5.9%	7.0%	6.2%	5.3%	5.1%	4.4%	5.1%	5.2%	5.6%
Idaho Nonfarm (Millions)	18,339	19,979	21,371	22,647	23,956	25,250	26,351	27,698	29,160	30,821
% Ch	8.6%	8.9%	7.0%	6.0%	5.8%	5.4%	4.4%	5.1%	5.3%	5.7%
U.S. (Billions)	5,481	5,758	6,072	6,425	6,784	7,119	7,426	7,748	8,088	8,470
% Ch	4.3%	5.1%	5.5%	5.8%	5.6%	4.9%	4.3%	4.3%	4.4%	4.7%
PERSONAL INCOME - 1992 \$										
Idaho (Millions)	18,967	19,615	20,518	21,347	22,073	22,996	23,549	24,175	24,808	25,539
% Ch	7.2%	3.4%	4.6%	4.0%	3.4%	4.2%	2.4%	2.7%	2.6%	2.9%
Idaho Nonfarm (Millions)	17,861	18,998	19,867	20,634	21,425	22,392	22,920	23,528	24,160	24,890
% Ch	5.7%	6.4%	4.6%	3.9%	3.8%	4.5%	2.4%	2.7%	2.7%	3.0%
U.S. (Billions)	5,339	5,476	5,645	5,854	6,068	6,313	6,459	6,582	6,702	6,841
% Ch	1.6%	2.6%	3.1%	3.7%	3.6%	4.1%	2.3%	1.9%	1.8%	2.1%
HOUSING STARTS										
Idaho	11,456	12,768	9,361	9,216	8,868	9,738	9,392	9,745	9,845	10,028
% Ch	19.5%	11.5%	-26.7%	-1.6%	-3.8%	9.8%	-3.6%	3.8%	1.0%	1.9%
U.S. (Millions)	1.292	1.446	1.361	1.470	1.478	1.592	1.502	1.475	1.469	1.496
% Ch	7.5%	12.0%	-5.9%	8.0%	0.6%	7.7%	-5.6%	-1.8%	-0.4%	1.9%
TOTAL NONFARM EMPLOYMENT										
Idaho (Thousands)	436.7	461.2	477.4	492.6	508.8	523.6	532.2	543.7	555.4	569.0
% Ch	4.8%	5.6%	3.5%	3.2%	3.3%	2.9%	1.6%	2.2%	2.1%	2.5%
U.S. (Millions)	110.7	114.1	117.2	119.6	122.7	125.8	127.4	128.9	130.5	132.2
% Ch	1.9%	3.1%	2.7%	2.1%	2.6%	2.5%	1.3%	1.2%	1.2%	1.3%
FINANCIAL MARKETS										
Federal Funds Rate	3.0%	4.2%	5.8%	5.3%	5.5%	5.4%	4.4%	4.1%	4.5%	4.5%
Bank Prime Rate	6.0%	7.1%	8.8%	8.3%	8.4%	8.4%	7.4%	7.1%	7.5%	7.5%
Mort Rate, New Homes	7.2%	7.5%	7.9%	7.8%	7.7%	7.1%	6.7%	6.3%	6.5%	6.6%
INFLATION										
GDP Price Deflator	2.6%	2.4%	2.3%	1.9%	1.9%	1.0%	1.6%	2.0%	2.1%	2.3%
Personal Cons Deflator	2.7%	2.4%	2.3%	2.0%	1.9%	0.9%	2.0%	2.4%	2.5%	2.6%
Consumer Price Index	3.0%	2.6%	2.8%	2.9%	2.3%	1.6%	2.4%	2.7%	2.8%	2.8%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

EXECUTIVE SUMMARY

JANUARY 1999

	1998				1999				2000			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GDP (BILLIONS)												
Current \$	8,384	8,441	8,527	8,605	8,665	8,729	8,818	8,887	9,011	9,114	9,212	9,296
% Ch	6.4%	2.7%	4.1%	3.7%	2.9%	2.9%	4.2%	3.2%	5.7%	4.7%	4.4%	3.7%
1992 Chain-Weighted	7,465	7,499	7,559	7,601	7,619	7,639	7,681	7,705	7,768	7,819	7,865	7,897
% Ch	5.5%	1.8%	3.3%	2.2%	0.9%	1.1%	2.2%	1.3%	3.3%	2.7%	2.4%	1.6%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	25,469	25,847	26,054	26,358	26,626	26,906	27,231	27,533	27,917	28,306	28,641	28,975
% Ch	7.2%	6.1%	3.2%	4.7%	4.1%	4.3%	4.9%	4.5%	5.7%	5.7%	4.8%	4.8%
Idaho Nonfarm (Millions)	24,792	25,144	25,397	25,667	25,940	26,202	26,489	26,773	27,163	27,546	27,875	28,206
% Ch	8.2%	5.8%	4.1%	4.3%	4.3%	4.1%	4.5%	4.4%	6.0%	5.8%	4.9%	4.8%
U.S. (Billions)	7,004	7,082	7,156	7,235	7,316	7,391	7,466	7,530	7,624	7,709	7,790	7,867
% Ch	5.9%	4.5%	4.2%	4.5%	4.5%	4.2%	4.2%	3.4%	5.1%	4.5%	4.2%	4.0%
PERSONAL INCOME - 1992 \$												
Idaho (Millions)	22,680	22,965	23,093	23,247	23,354	23,468	23,624	23,750	23,932	24,121	24,257	24,391
% Ch	7.2%	5.1%	2.3%	2.7%	1.9%	2.0%	2.7%	2.1%	3.1%	3.2%	2.3%	2.2%
Idaho Nonfarm (Millions)	22,077	22,341	22,511	22,638	22,753	22,853	22,980	23,094	23,285	23,473	23,609	23,743
% Ch	8.2%	4.9%	3.1%	2.3%	2.1%	1.8%	2.2%	2.0%	3.4%	3.3%	2.3%	2.3%
U.S. (Billions)	6,237	6,293	6,342	6,381	6,417	6,447	6,478	6,495	6,536	6,570	6,598	6,623
% Ch	5.9%	3.6%	3.2%	2.5%	2.3%	1.8%	1.9%	1.1%	2.5%	2.1%	1.7%	1.5%
HOUSING STARTS												
Idaho	10,886	9,762	9,215	9,090	9,202	9,324	9,457	9,585	9,670	9,729	9,777	9,803
% Ch	68.4%	-35.3%	-20.6%	-5.3%	5.0%	5.4%	5.8%	5.5%	3.6%	2.4%	2.0%	1.1%
U.S. (Millions)	1,582	1,568	1,632	1,584	1,538	1,500	1,491	1,479	1,466	1,477	1,481	1,477
% Ch	14.1%	-3.5%	17.4%	-11.2%	-11.1%	-9.7%	-2.3%	-3.1%	-3.5%	2.9%	1.2%	-1.1%
TOTAL NONFARM EMPLOYMENT												
Idaho (Thousands)	519.0	523.1	524.9	527.4	529.1	530.9	533.2	535.6	538.6	542.9	545.4	547.9
% Ch	3.7%	3.2%	1.4%	1.9%	1.3%	1.4%	1.7%	1.9%	2.3%	3.2%	1.8%	1.8%
U.S. (Millions)	124.8	125.5	126.1	126.6	126.9	127.2	127.5	127.8	128.2	128.7	129.2	129.6
% Ch	2.8%	2.3%	2.0%	1.6%	0.9%	1.0%	0.9%	0.9%	1.3%	1.6%	1.4%	1.3%
FINANCIAL MARKETS												
Federal Funds Rate	5.5%	5.5%	5.5%	5.1%	4.8%	4.5%	4.2%	4.0%	4.0%	4.0%	4.0%	4.2%
Bank Prime Rate	8.5%	8.5%	8.5%	8.1%	7.7%	7.5%	7.2%	7.0%	7.0%	7.0%	7.0%	7.2%
Mort Rate, New Homes	7.2%	7.2%	7.1%	7.1%	6.9%	6.7%	6.6%	6.5%	6.4%	6.3%	6.3%	6.3%
INFLATION												
GDP Price Deflator	0.9%	0.9%	0.8%	1.4%	1.9%	1.9%	1.9%	1.9%	2.3%	2.0%	2.0%	2.0%
Personal Cons Deflator	0.0%	0.9%	1.0%	2.0%	2.2%	2.3%	2.2%	2.3%	2.5%	2.4%	2.5%	2.5%
Consumer Price Index	0.5%	2.0%	1.8%	2.6%	2.6%	2.5%	2.5%	2.7%	2.8%	2.7%	2.7%	2.7%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

NATIONAL FORECAST DESCRIPTION

The Forecast Period is the Third Quarter of 1998 to the Fourth Quarter of 2002

After a scare last fall, things appear to have changed in the economy's favor. A review of several indicators shows there are positive signs aplenty. First, real GDP, the most closely watched measure of the nation's overall economic health, grew at a healthy 3.9% annual pace in the third quarter of 1998. It is thought to have advanced by 3.0% in the last quarter of that year. Second, employment has remained strong. The unemployment rate in the third quarter of last year was just 4.5%, which was still about one percentage point below full employment. The number of nonfarm jobs grew at a 2.0% annual rate during this same quarter. Third, the still-strong employment picture has kept consumer confidence high. Fourth, consumer confidence also got a boost from the strong stock market recovery. In fact, last summer's stock market correction proved to be one of history's most fleeting. The S&P 500 index regained its previous peak in just four months. In contrast, it took the market nearly two years to regain its peak after the October 1987 collapse. Fifth, the high level of consumer sentiment and respectable personal income growth has kept consumer spending afloat, and this has kept the economy humming. Sixth, for the first time in nearly 30 years the federal fiscal year ended with a surplus instead of a deficit.

Although it appears that the "Goldilocks economy" has escaped the bears, it is still not out of the woods. The U.S. economy's recent success is in no small part due to the strong consumer confidence that has fueled spending. Thus far, consumer confidence has shown incredible resilience against several attacks, such as last summer's stock market meltdown. However, as the first few years after the 1990-91 recession have taught us, consumers can be fickle. This is no minor detail considering consumer spending accounts for about two-thirds of the nation's economy. Should consumer confidence suddenly go south, it could lead the economy into a recession. (A confidence crisis resulting in a recession is explored in the *Alternative Forecasts* section of this publication.) A less serious problem, but a problem nonetheless, is Japan. While most of the other Asian countries that faced crises have seen their economies stabilize recently, Japan's economy remains a basket case. While steps have been taken to shore up the banking system of Asia's economic engine, only time will tell if these moves will successfully restart Japan's economy. Any meaningful Asian recovery must include Japan. The fear is that a continued Japanese malaise may cause other economic problems that will eventually spread to our shores.

The current forecast assumes the "Goldilocks economy" will avoid most traps. Therefore, no recession is anticipated over the forecast period. That is not to say the next few years will be a breeze. The U.S. economy will have its closest brush with a recession in 1999. Continuing problems in Asia will find their way to the U.S. Asian countries will look to the U.S. in an effort to export their way out of their current economic slumps. While U.S. consumers will benefit from lower import prices, the wave of imports is expected to eventually cost some Americans their jobs. This is especially noticeable in 1999, when U.S. nonfarm growth drops to around one percent and the unemployment rate begins its gradual rise. This will cause consumer confidence to decline, but this is expected to be an orderly retreat. Over this period, consumer spending will slow to about the pace of real disposable income growth. While this is lower than in recent years, it is a sustainable pace that should keep the U.S. economy moving forward.

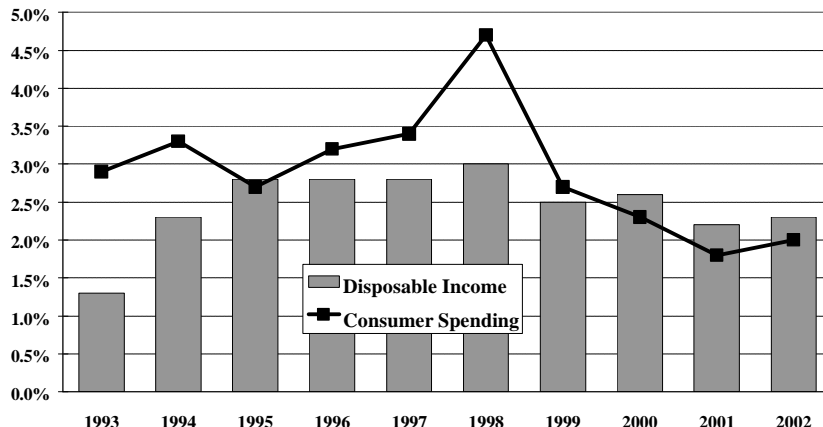
SELECTED NATIONAL ECONOMIC INDICATORS

Consumer Spending: Real consumer spending growth should slow over the forecast period. Indeed, some of this slowing has already taken place. During the first half of 1998, real consumer spending advanced at a 6.1% annual rate. Preliminary data for the third quarter show that this measure slowed

markedly to about 4.0%. Real consumer spending is forecast to slow further to 3.0% by the last quarter of 1998. Several of the factors contributing to this slowing will continue to limit future real consumer spending growth. First, consumer confidence has slipped. As measured by the University of Michigan's Index of Consumer Sentiment, October 1998 consumer confidence had retreated 13 points from its all-time high in February 1998. Confidence is expected to decline slowly over the forecast period as the unemployment rate inches upward. Indeed, in recent surveys

consumers have remained generally upbeat about current conditions but have expressed more anxiety about a softening job market down the road. Second, despite the recent slide in consumer confidence, consumers have been willing to take on more debt. After remaining stable for two years, nonmortgage consumer credit measured relative to disposable income rose steadily last year, hitting a record 21.2% in September 1998. Near-record low interest rates no doubt induced consumers to take on more debt. However, it is unlikely it can remain at that level, especially given the outlook of falling consumer confidence. Third, consumers will need to rebuild dismally low savings. In 1998 the savings rate is expected to average under 0.5%. In September of that year the savings rate was negative. Part of the explanation for this weakness is the steady ascent of the stock market. With household net worth at an all-time high, consumers apparently feel the stock market is doing their saving for them, allowing them to spend more freely out of current income. However, households' net worth gains are expected to grow slower in the future, as stock market gains are projected slow from double-digit rates to single-digit rates. Given these factors, it appears that real consumer spending will grow about as fast as real disposable income. The good news is that income growth should be relatively healthy. Specifically, national real disposable income should rise 3.0% in 1998, 2.5% in 1999, 2.6% in 2000, 2.2% in 2001, and 2.3% in 2002. Real consumer spending should rise 4.7% in 1998, 2.7% in 1999, 2.3% in 2000, 1.8% in 2001, and 2.0% in 2002.

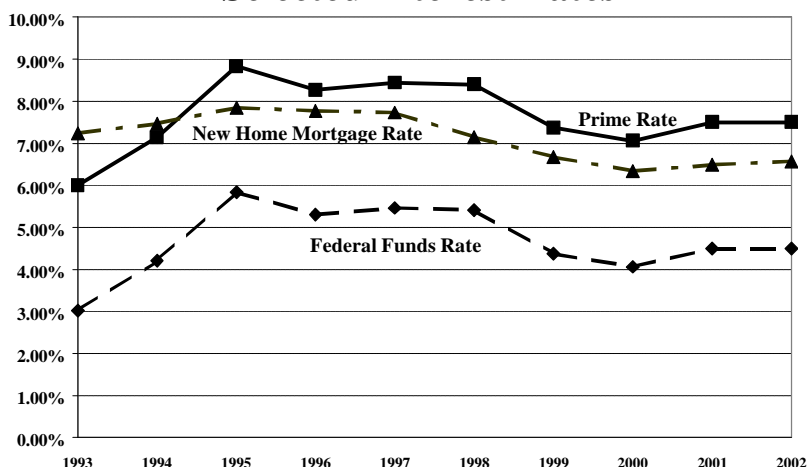
Real Spending & Real Income Growth



Source: Standard and Poor's DRI

Financial: The Federal Reserve loosened aggressively in the fall of 1998 in an effort to keep the current expansion moving ahead. Over the six-week period from the end of September 1998 to mid-November 1998, the nation's central bank dropped its bellwether federal funds rate target from 5.5% to 4.75%. The discount rate was dropped from 5.0% to 4.5%. More cuts are likely. With inflation stable, the Federal Reserve has been afforded more wiggle room to lower rates further

Selected Interest Rates



Source: Standard and Poor's DRI

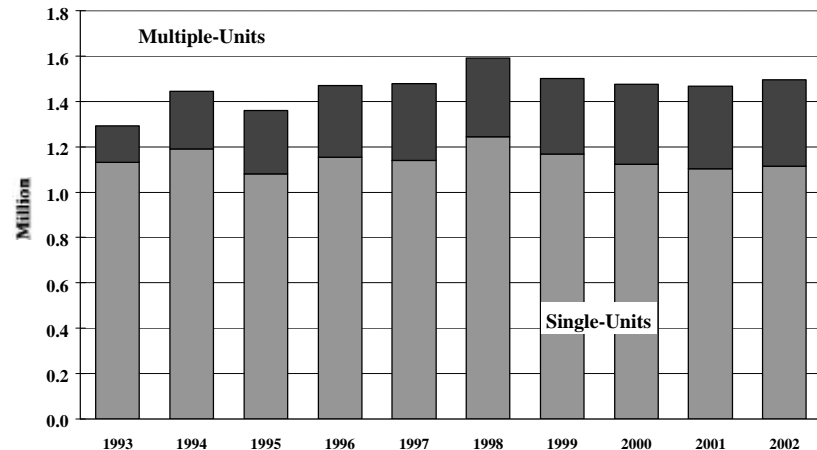
and help to insure the economy continues to grow. The stock market seems to be backing away from its fears of a recession, but growth is expected to be very low in early 1999. In this forecast it is assumed the Federal Reserve will ease further. However, this seems unlikely given the Federal Reserve did not raise rates in December 1998. It appears that the nation's central bank is content that the economy has dodged a downturn. Thus, it is more willing to take a wait-and-see policy. However, the economy will be vulnerable to a recession this year, so another round of loosening by the Federal Reserve in the near future is not entirely out of the question.

Housing: The nation's housing industry should remain one of the economy's strongest performers over the forecast period. Housing starts rose to 1.64 million units in the third quarter of 1998, its strongest quarterly showing since 1987. Housing sales were also strong. In the third quarter of 1998, new home sales (842,000) had their third strongest quarter ever. In addition, existing home sales in that same quarter were the second highest on record. This strong showing is primarily due to the strong job market and the increasing affordability of homes.

The strong job market has bolstered consumer confidence, which has led more Americans to take the plunge and purchase homes. Thanks to low interest rates and steady income growth, the affordability of owning a home has increased tremendously over the last two decades. To put this in perspective, in the early 1980s the after-tax cost of owning a home was roughly half of household disposable income. By 1998, this was slashed almost in half, so that housing cost was approximately a fourth of household disposable income. This has helped the home ownership rate rise to record levels. The U.S. Census Bureau reported that the third quarter 1998 home ownership rate was nearly 67.0%, its highest level since it started collecting this information in 1956. Home ownership rates had been stagnant for nearly two decades, at around 62-64% before 1994, when they started to rise. The falling mortgage interest rates that have been a boon to housing affordability have also benefited existing homeowners. In mid-October 1998, the Mortgage Bankers Association reported that more than 60% of the new loan applications were for refinancing, which was up from 40% a year earlier. This should lower consumers' home payments and free up cash that can be used for other things, such as consumer spending. The nation's housing industry also benefited from the overall strength of the economy and the stock market. As these cool from their recent robust paces, so will the housing industry. However, it should be stressed that the projected decline in housing starts will be gradual. Specifically, U.S. housing starts are expected to go from 1.59 million in 1998 to 1.50 million in 1999, 1.48 million in 2000, 1.47 million in 2001, and 1.50 million in 2002.

International: The Asian crisis dominated much of the economic news last year. This forecast notes there is some good news to report, but some serious problems still need to be addressed. First, the good news. The Asian economies are beginning to show signs of bottoming out. Exchange rates, with the exception of the Indonesian rupiah, have been stable since the spring of 1998. Stock markets in most of the countries affected by the currency crises are beginning to rebound. The flight of capital from Asia is

U.S. Housing Starts

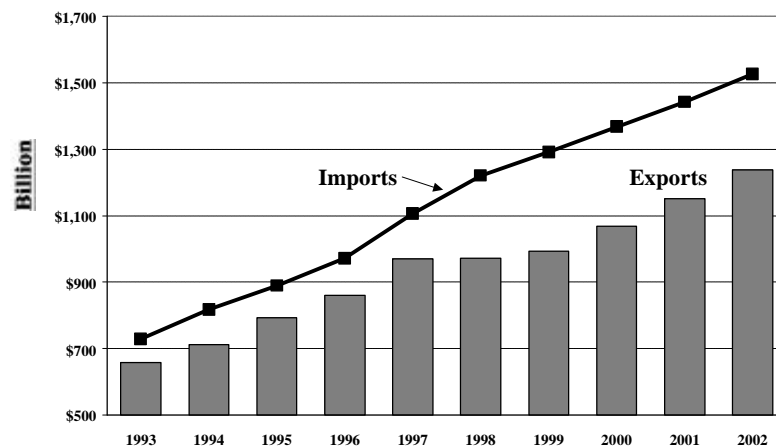


Source: Standard and Poor's DRI

at least moderating. Despite this good news, Japan remains in economic doldrums. Asia's largest economy is currently in its longest down cycle since the great depression. This engine of Asian economic growth is not just stalled, but in need of an overhaul. Until the Japanese banking system is fixed, it is not likely that it will experience a sustained recovery. Even Japan's most recent steps to get its economic house in order do not go far enough. The new bank-bailout bill makes a first step toward fixing the financial system, but it is too small to solve the

problem and still avoids tackling the disposal of bad loans and other assets. There is good reason for Japanese politicians to put off the economic day of reckoning as long as possible: the cure will be painful. The Japanese problem is far greater than the U.S. savings and loan crises. At the worst of the U.S. savings and loan problems, nonperforming loans were about 3.0% of U.S. GDP. In comparison, it has been estimated that nonperforming bank loans are 30.0% of Japanese GDP. Unfortunately, the story gets worse. On top of these loans are other nonperforming loans that could double this ratio. The Japanese recession is therefore likely to persist into 2000, and even longer if the Japanese Diet fails to make the needed reforms.

U.S. Imports and Exports



Source: Standard & Poor's DRI

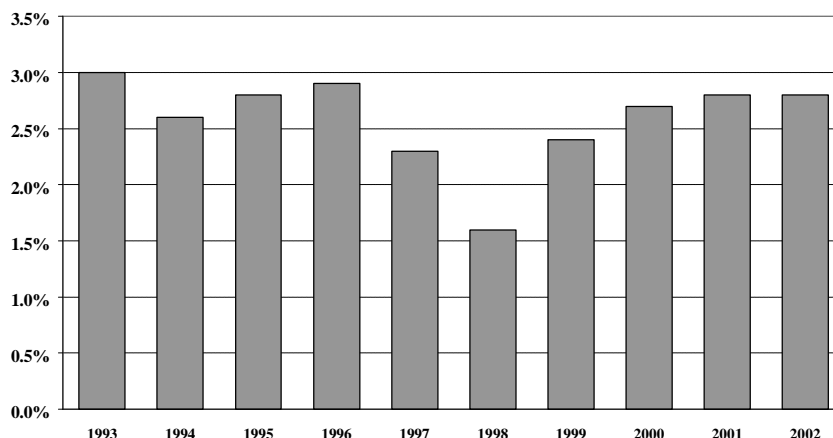
Government: The federal budget is expected to remain in surplus during the forecast period. The federal fiscal year ended with a \$70 billion surplus, the first since 1969. This was a pleasant surprise. President Clinton's original budget, which was submitted in February 1997, projected a \$10 billion deficit for that year. By the time fiscal year 1998 began, the projected deficit had been raised to nearly \$60 billion. The nearly \$130-billion swing between the start and end of the fiscal year resulted from a 5.5% underestimate of revenues and a 2.3% overestimate of outlays. Overall, federal receipts climbed 9.0% in fiscal year 1998, while federal outlays rose just 3.0%. The strong receipts were due in large part to the continued strength of the job and stock markets, which helped personal tax collections swell 12.4% in fiscal year 1998. The major surprise on the outlay side was Medicare spending, which increased just 1.5% after a decade of relentless 10% annual increases. It is assumed that much of the future federal budget surpluses will be used to pay down debt. However, some of the surpluses will be used to finance other projects. For example, this forecast assumes there will be some modest tax cuts before the 2000 election. It should also be pointed out that while the federal budget is projected to remain in surplus over the forecast period, there will be some slippage as economic growth slows and capital gain realizations shrink. However, the surplus does rebound in 2002. Specifically, the federal surplus (on a unified budget basis) is projected at \$63.3 billion in 1999, \$42.8 billion in 2000, \$31.0 billion in 2001, and \$63.7 billion in 2002.

Inflation: Inflation should remain mild despite an anticipated acceleration in employment costs. The Employment Cost Index for Compensation (wages, salaries, and benefits) has risen slowly in recent years, despite an ever-tightening labor market that dropped the unemployment rate below the full employment level. However, employment costs did start to heat up last year, growing 3.6% compared to 1997's 3.1%. Ordinarily this would cause consumer inflation to pick up speed. However, the opposite has occurred recently. In late 1998 it was estimated that the consumer price index had advanced just 1.6%

that year. In comparison, inflation in 1997 was significantly higher at 2.3%. The difference between the two can be traced to the energy and food components of the consumer price index. In 1997, energy prices rose 1.2%. Energy prices collapsed nearly 8.0% in 1998 due to soft world demand. For example, the price of West Texas Intermediate crude oil in October 1998 was just two-thirds of its price of the previous October. Food prices rose 2.6% in 1997, but just 2.1% in 1998. These changes in energy and food prices were able to push overall inflation

below 2.0% for the first time since 1986. It should be kept in mind that both energy and food prices are notoriously volatile, and they are not expected to remain low. In fact, the current forecast calls for these prices to ramp up slowly over the forecast period. Despite this, inflation should remain below 3.0%. One of the reasons for this is because while the U.S. labor market is tight, manufacturing capacity is relatively slack. Manufacturing utilization in the U.S. is about 80% of capacity, which is safely below the 83-85% that is associated with accelerating inflation. Of course, this only relates to U.S. manufacturing. Given the slowdown in Asia, there is even more slack capacity worldwide, especially for certain types of industries. Consumer price inflation, as measured by the consumer price index for all urban consumers, is projected to be 1.6% in 1998, 2.4% in 1999, 2.7% in 2000, 2.8% in 2001, and 2.8% in 2002.

Consumer Price Inflation

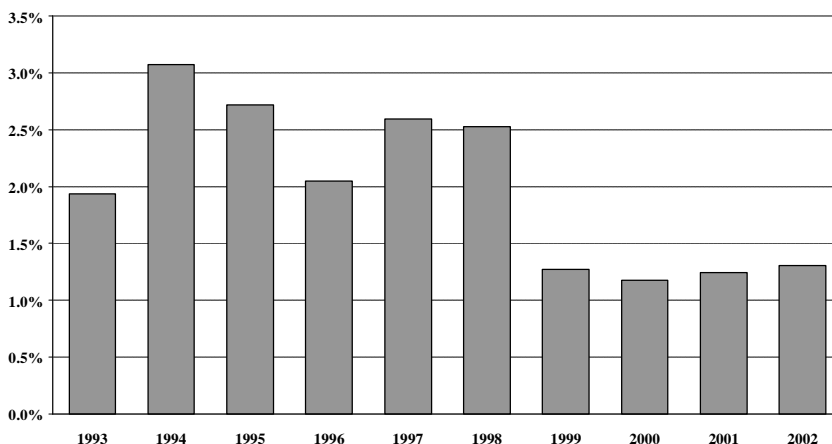


Source: Standard and Poor's DRI

Employment: The U.S. labor market is expected to loosen over the forecast period after posting another impressive showing in 1998. Last year, the number of jobs in the U.S. rose an impressive 2.5%, virtually matching 1997's strong gain. It also marked the fifth consecutive year that the number of jobs has expanded by more than 2.0%. This job expansion has caused the U.S. civilian unemployment rate to fall to levels that a few years ago were considered unattainable. For example, as recently as 1993 the civilian unemployment rate was

6.9%, which was well above the 5.3% economists considered full employment. As the economy shook off the effects of the 1990-91 recession, the once stubbornly high unemployment rate declined steadily, so that by 1996 the economy was essentially at full employment. However, this was not employment's zenith; labor markets continued to tighten after that year. In 1997, the unemployment rate actually fell one-half percentage point below the full employment threshold. In 1998, it was almost a full percentage

U.S. Nonfarm Employment Growth



Source: Standard and Poor's DRI

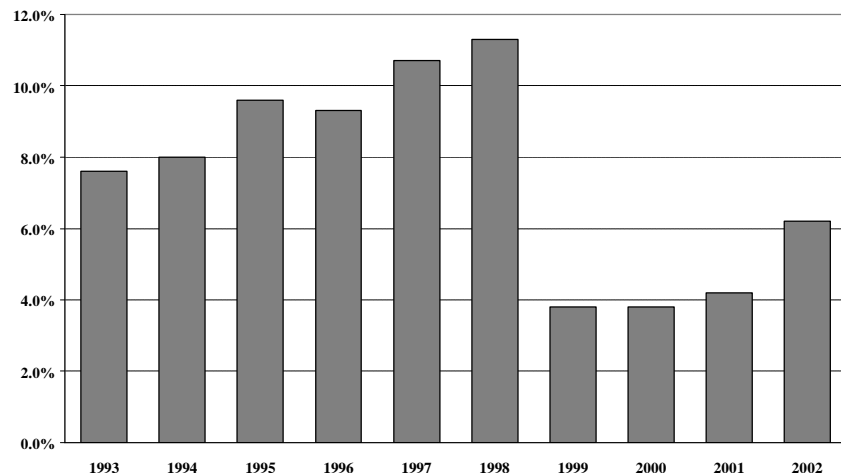
point below full employment. Of course, this is not expected to continue indefinitely. Over the next few years the U.S. economic growth is forecast to slow and so is employment. Nonfarm job growth in the U.S. is anticipated to slow to 1.3% in 1999, 1.2% in 2000, 1.2% in 2001, and 1.3% in 2002. The U.S. civilian unemployment rate is expected to rise gradually over this same period, going from a low of 4.5% in 1998 to 5.4% in 2002. Keep in mind that although labor markets are expected to slacken, the civilian unemployment rate should remain below the 5.5% full-employment rate. In other words, after several years of unusual tightness, labor markets should gradually return to more normal levels.

Production and Business

Investment: The slowing national economy will exact a toll on industrial production and business investment. After posting three-straight years of growth above 3.0% from 1996 through 1998, real GDP is forecast to advance by just 1.7% in 1999. Not surprisingly, U.S. industrial production should also experience a noticeable slowdown. The current forecast shows this measure's growth dropping from 1998's 3.1% to 1.3% in 1999. After 1999, industrial production should recover, advancing 2.8% in

2000, 2.5% in 2001, and 3.5% in 2002. After the current soft landing, manufacturing output will rebound with 3.0% growth in 2000 and average 3.2% gains from 2000 to 2003. That is weaker than the 4.5% average of the previous four years, but slightly higher than the average for the past 20 years. Although production growth will be respectable across the manufacturing sectors, operating rates will slip under 80% in the near term before stabilizing. The good news is that this is well below the inflationary threshold. The down side to this is that the lower operating rate will dampen the need for new investment. As a result, real nonresidential fixed investment, which had grown at double-digit rates in both 1997 and 1998, should slow to less than 4.0% growth in both 1999 and 2000. Real producers' durable equipment, which had expanded nearly 17.0% last year, should advance just 6.5% in 1999 and 4.7% in 2000. Real investment in nonresidential structures is hit even harder than producers' durable equipment spending. Real nonresidential structure investment is expected to have declined 1.6% in 1998 and should fall another 3.8% in 1999. The outlooks for both of these sectors should improve slowly after 1999. Overall, real nonresidential fixed investment is forecast to rise 11.3% in 1998, 3.8% in both 1999 and 2000, 4.2% in 2001, and 6.2% in 2002. It should be noted that the economy has made a smooth transition to lower inventory growth. Inventories accumulated at an unsustainable fast pace during the first part of 1998. This raised fears that a strong inventory correction would follow. While inventory growth did taper off, it did it in an orderly manner and the economy was spared the pain of a severe inventory correction.

Real Business Investment Growth



Source: Standard and Poor's DRI

IDAHO FORECAST DESCRIPTION

The Forecast Period is the Third Quarter of 1998 to the Fourth Quarter of 2002

The outlook for Idaho employment over the next few years has improved since the October 1998 *Idaho Economic Forecast* was published. The biggest change occurs in 1998. Previously it was anticipated that nonfarm employment in the Gem State would rise 2.2% to 520,182. In the current forecast, this same measure is expected to increase 2.9% to 523,580. All of this improvement reflects the stronger-than-expected job picture in the second and third quarters of 1998. New data show that employment was more than 4,000 higher than had been previously estimated in each of these quarters. The most notable surprise was construction, whose employment was up more than a 1,000 in each of these quarters. Services-related employment was up around 2,000 compared to the last forecast. Interestingly, Idaho real and nominal personal incomes are both down slightly during those same two quarters. This is due in large part to the impact of lower interest rates on the dividend, interest, and rent portion of personal income.

The higher employment numbers in 1998 will not have much of an impact beyond raising the starting point for the current forecast. As was mentioned above, the nonfarm employment growth rate in 1998 has been raised from 2.2% to 2.9%. However, employment expands at roughly the same rate in the remaining years of this forecast as it did in the previous one. Specifically, it is forecast to rise 1.6% in 1999, 2.2% in 2000, 2.1% in 2001, and 2.5% in 2002. In the previous forecast it was expected to rise 1.6% in 1999, 2.1% in 2000, 2.1% in 2001, and 2.6% in 2002. This is not surprising because the national outlook has not changed dramatically. Idaho personal income displays a similar pattern. Idaho nominal personal income rises 4.4% in 1999, 5.1% in 2000, 5.2% in 2001, and 5.6% in 2002. This about the same as in the previous forecast. Idaho real personal income is forecast to rise 2.4% this year, 2.7% next year, 2.6% in 2001, and 2.9% in 2002.

Although the baseline forecast does not include a recession, this is a possibility. If the national economy were to slip into a recession, the outlook for Idaho's economy would not be as bright. This is explored in detail in the *Alternative Forecasts* section of this report. To summarize, while growth rates for both Idaho nonfarm employment and personal income would vary, the levels of both would be lower than in the baseline case by 2002. It bears repeating again: no recession is anticipated over the forecast period. However, the expected slowing does increase the economy's exposure to a national downturn.

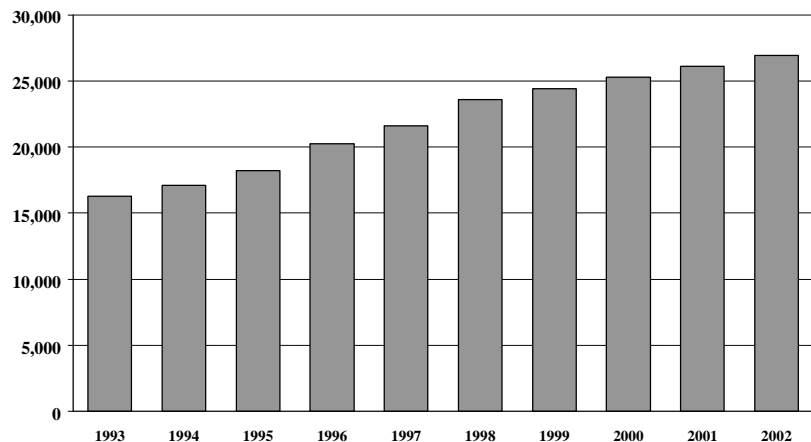
SELECTED IDAHO ECONOMIC INDICATORS

Electrical and Nonelectrical Machinery: Idaho's electrical and nonelectrical manufacturing sector should experience slow employment gains over the forecast period. This is a significant change from this decade's first seven years when the state's high-tech boom helped this sector's employment rise 8.0% annually. Most of these job gains came from two Boise firms, Micron Technology and Hewlett-Packard. Both benefited from products that were in high demand. Micron, one of the world's largest manufacturers of computer memory, prospered earlier this decade thanks to the strong demand for memory caused by burgeoning personal computer sales and the increased memory demands of both increasingly complex computer hardware and software systems. This bolstered Micron's profits and helped its employment expand rapidly in the early 1990s. Company-wide employment also increased due to the company's diversification into other areas, such as the manufacturing of complete personal computer systems. However, things changed abruptly in 1996. The price of memory chips collapsed that year as Asian competitors flooded the market with memory chips from newly operational plants. This slump still persists, but there are some signs that it has bottomed out. Recently, Micron was able to raise the prices for some of its products. Not only has the company survived the recent downturn, but it seems well positioned to take advantage when the market improves further. Micron completed its purchase of Texas

Instruments' memory business in the autumn of 1998. This move should have little short-term impact on Idaho employment. However, it could have a more subtle impact down the road. Micron acquired several semiconductor fabrication plants around the world as part of its Texas Instruments' deal. The company also has a mothballed plant in Utah. Thus, the company has significant excess capacity available when the memory chip market turns around. Unfortunately, none of this new capacity is in Idaho. Thus, when

chip prices rise, it can no longer be assumed that increased production and jobs will occur in Boise. They may take place in Utah or one of the other newly acquired plants instead. In October, Intel invested \$500 million in Micron. This investment was made to assist Micron's development of the next generation of memory products. This move helps Micron remain a cutting-edge player in the global market. The fortunes of Hewlett-Packard's Boise site also surged in the early 1990s thanks to favorable market conditions. The demand for this company's popular laser printers and the other products developed and manufactured in Boise helped its local employment swell over 5,000. Its employment has contracted since then. In the mid-1990s, the company refocused the Boise site's mission away from production toward research and development. As a result, the surface mount and hard drive manufacturing operations at the Boise plant were dropped. This took employment down to about 4,000. In a similar move, Hewlett-Packard recently sold the manufacturing assets of its formatter board manufacturing operations to Jabil Circuit, Inc. This lowered Hewlett-Packard's employment by another 300 jobs. However, this change has had a negligible impact on this sector's employment. This is because Jabil has hired most of Hewlett-Packard's formatter operation's staff and kept them in Boise. Idaho electrical and nonelectrical employment is forecast to rise 9.3% in 1998, 3.4% in 1999, 3.6% in 2000, 3.4% in 2001, and 3.1% in 2002.

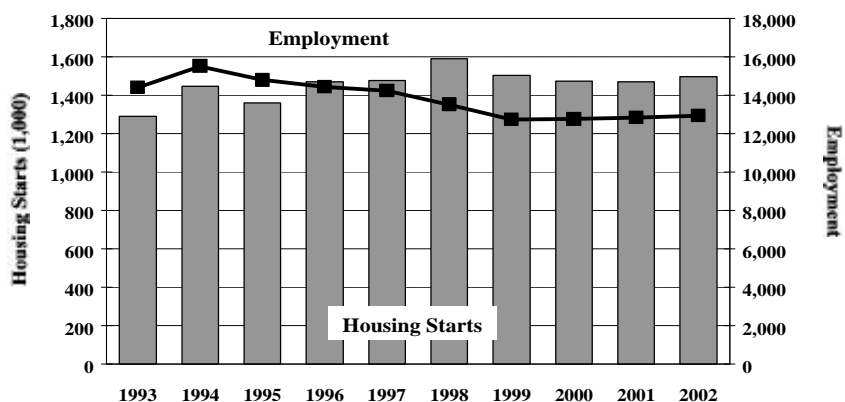
Idaho Electrical & Nonelectrical Employment



Lumber and Wood Products:

Idaho lumber and wood products employment is projected to decline over the forecast period, continuing a down cycle that began in 1995. From that year to 1997, the number of jobs in this sector has fallen from 14,795 to 14,241. Unfortunately, job losses continued through 1998. About 40 positions were lost when Boise Cascade closed its Horseshoe Bend Mill in the fall of 1998. But bad news was not limited to Southern Idaho. About 50 workers lost their jobs when the Gem State Lumber Company Mill was

Idaho Lumber & Wood Products Employment and U.S. Housing Starts



Sources: Standard and Poor's DRI and DFM

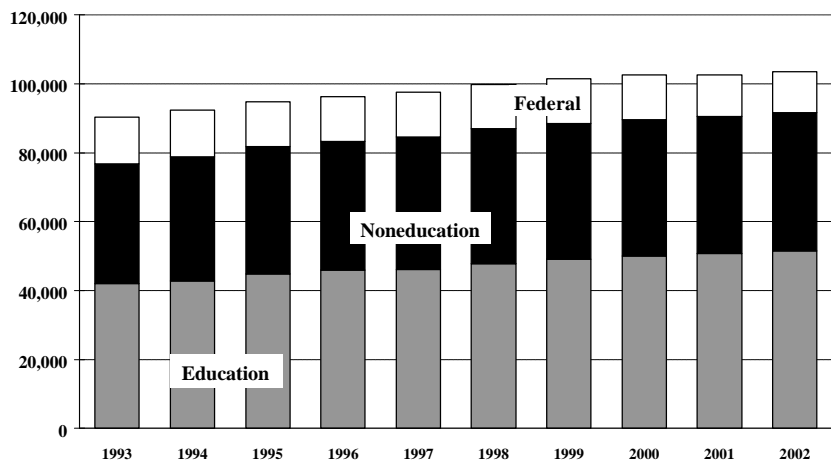
salvaged. Benewah County lost its second largest employer when Rayonier Incorporated decided not to rebuild its Plummer sawmill that burned last July. Nearly 125 employees worked at the sawmill before the fire. In November 1998, Crown Pacific announced that it will close its Colburn, Idaho sawmill in January 1999. Nearly 100 workers will be affected by the closure. Company officials cited low lumber prices and the sawmill's age as the reasons for the closure. In other news affecting the Panhandle's lumber and wood products sector, last fall Louisiana Pacific puts its Chilco and Sandpoint operations up for sale. Most of this industry's current woes can be traced to supply rather than demand. The strong dollar and weak Asian economies have dampened the demand for lumber and wood product exports. Thus, these exports have been redirected to the domestic market. This helps explain why lumber prices have been relatively soft despite the strong national housing market. In addition, the weak Canadian dollar has lowered the price of Canadian wood products, which has also contributed to the already swollen supply. These are short-term challenges. The major long-term challenge facing this industry is the dwindling supply of timber from public lands. Idaho has traditionally been dependent on timber from federal lands, but in recent years the supply of logs from these public lands has fallen. The uncertainty of public timber supply should limit future investment and employment in the Gem State's lumber and wood products sector. From 1998 to 2002, Idaho lumber and wood products employment is projected to fall from 13,519 to 12,951.

Federal, State, and Local

Governments: Idaho government employment growth should slow noticeably over the forecast period. Thanks to a booming economy and strong population growth, Idaho state and local employment advanced over 3.5% annually from 1990 to 1995. In comparison, national state and local employment averaged just 1.6% annual growth over the same period. However, Idaho will see this spread shrink over the forecast period. As overall employment and population growth slow over the next few years, so will state and local government employment.

In addition, future employment growth will be challenged by laws limiting Idaho local governments' budget growth. From 1998 to 2002, Idaho state and local employment is expected to rise an average of 1.3% per year. This is slightly slower than its national counterpart that is forecast to increase about 1.9% per year. Education-related employment should grow slightly faster than the Idaho government average. Specifically, Idaho education-related government employment is projected to expand 1.9% annually from 1998 to 2002, from nearly 48,000 to just over 51,600. On the other hand, Idaho noneducation government employment should rise just 0.6% per year. As a result of ongoing federal austerity measures, Idaho federal government employment is anticipated to decline over the next few years, going from 12,954 in 1998 to 11,966 in 2002, a drop of about 2.0% per year. It will, however, get a one-quarter respite in the beginning of 2000 with the hiring of temporary workers for Census 2000.

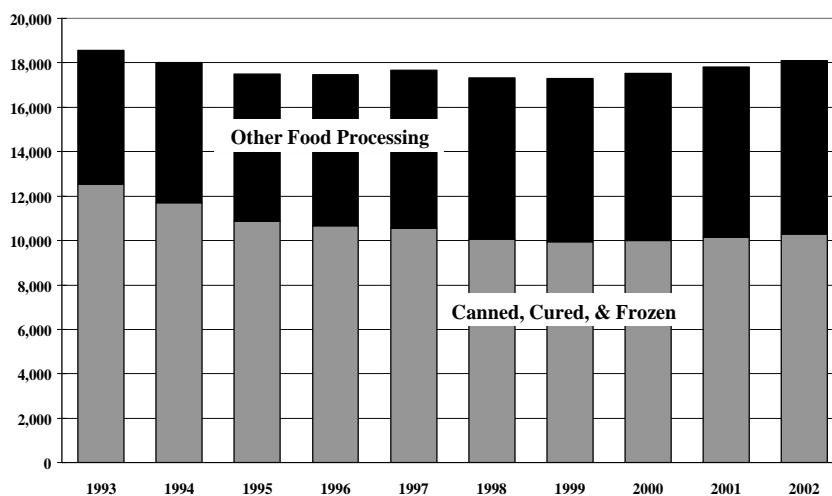
Idaho Government Employment



Food Processing: Idaho's largest nondurable manufacturing sector suffered a blow last fall when H.J. Heinz Company announced that it will be consolidating Ore-Ida Foods Incorporated and Weight Watchers Gourmet Food Company into a new Pittsburgh-based entity called Heinz Frozen Food Company. The move will cost approximately 400 jobs in Idaho. Nearly 250 jobs at Ore-Ida's Boise

headquarters will be lost when the move is completed this July. All current Boise employees will be given the opportunity to apply for jobs in Pittsburgh. This decline follows the loss of about 150 positions that resulted from the sale of Ore-Ida's food service business to McCain Foods of Canada. After this year's changes, only about 85 of the company's employees will remain in Boise. In addition to this drop, nearly 150 workers at the Weight Watchers Pocatello plant will lose their jobs. The Gem State's food processing employment is forecast to decline 1.8% in 1998, fall another 0.2% in 1999, then rise 1.2% in 2000, 1.7% in 2001, and 1.6% in 2002.

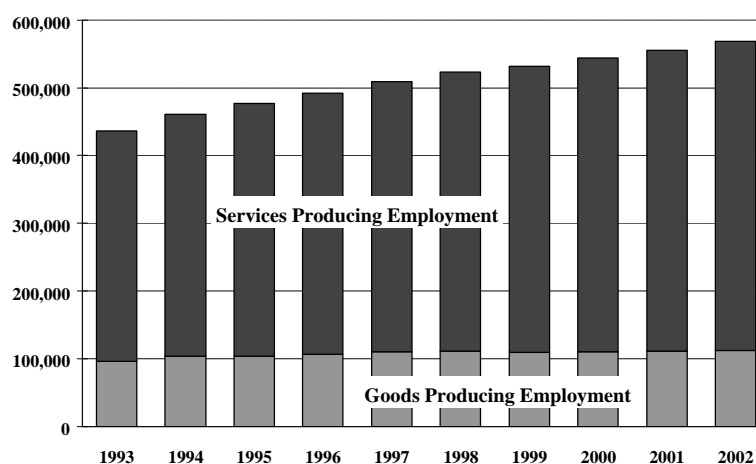
Idaho Food Processing Employment



Services-Producing Industries:

The services-producing sector is the state's largest and most diverse employment category. There were nearly 400,000 service-producing jobs in 1997, which was nearly eight of every ten jobs in Idaho. This category includes finance, insurance, and real estate; transportation, communications, and public utilities; trade; services; and government. Not surprisingly, this sector has been the major engine of growth over the last few years. Over the ten years from 1987 to 1997 Idaho has gained 135,000 services-producing jobs. This represents more than three-

Idaho Nonfarm Employment



quarters of the state's total nonfarm job increase during that same period. This growth is attributable to the positive influences of favorable cyclical and structural factors. Structural changes include the movement of certain "back office" operations into the state. Two examples of this are the Sears Regional Credit Center and the MCI Call Center, both are based in Boise. The services-producing sector has also been bolstered by ongoing structural changes. One of the most significant trends has been the increasing number of women in the labor force. This has raised the demand for a wide range of goods and services, such as childcare and meals away from home. Another change agent has been the growing number of single-person and single-parent households, due partly to the increasing number of persons delaying their first marriages and the greater number of divorced persons. All of these factors will continue to play a role in the future of the trade and services sectors. Other demographic trends also figure in this sector's future. Most notably, as this country's baby-boom generation ages, it will strain the supply of existing services for the aged. In addition, this generation of older persons will probably be healthier than previous

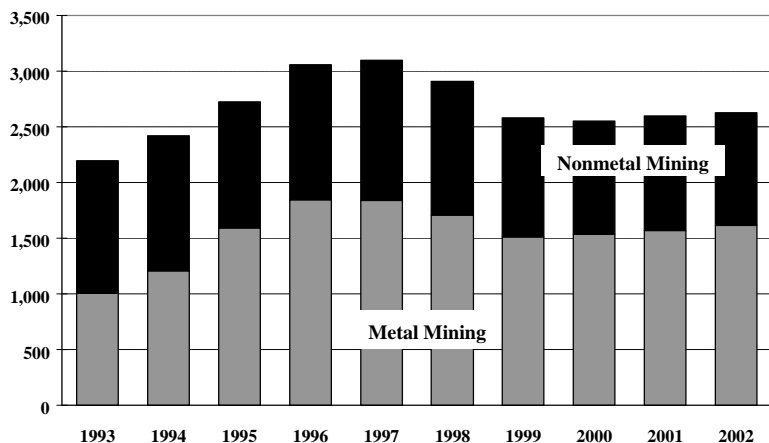
generations and will demand more recreational/leisure services. Idaho services-producing employment is forecast to rise 3.5% in 1998, 2.5% in 1999, 2.4% in 2000, 2.5% in 2001, and 2.8% in 2002.

Mining: The expected slowing of the national economy will also take a toll on the state's mining sector. After rising four straight years, Idaho mining employment peaked in 1997 at just under 3,100. Despite a deflationary trend in many metal prices, silver was actually about \$1/troy ounce higher in the first half of 1998 compared to 1997's average price. Unfortunately, other important metal prices did not fare as well. Zinc, lead, and molybdenum prices fell below last year's average. Lower prices contributed to the decision to cut production

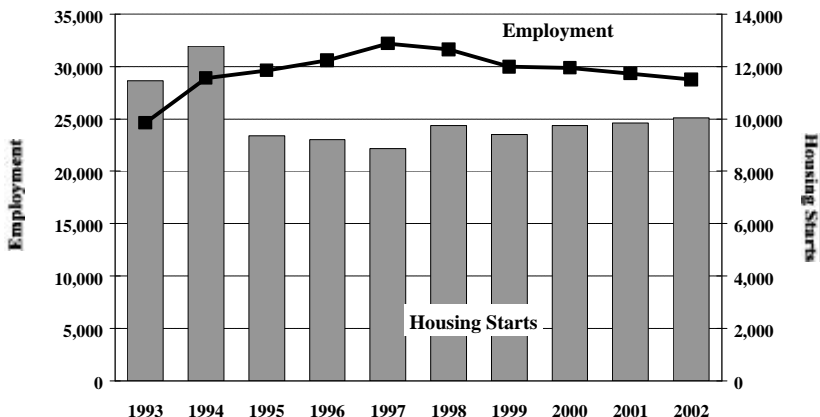
and lay off 75 of the 250 employees at the Thompson Creek molybdenum mine and mill in Custer County. Both metal and nonmetal mining employment will slide this year. Metal mining employment will take the biggest hit. Its employment is forecast to drop from about 1,840 in 1997 to 1,619 in 2002. This pattern continues the recent trend in which no metal mining employment zenith has matched the previous peak. For example, metal mining employment peaked at 2,800 in 1984. Its next peak was 2,754 in 1990. But 1997's peak was just 1,847, about 900 lower than 1990's high. Metal mining employment in Idaho is expected to go from 1,710 in 1998 to 1,619 in 2002. In addition to the slowing economy, nonmetal mining employment will suffer under the additional weight of construction and agricultural problems. The expected flattening of the construction industry will hurt certain nonmetal mining sectors, such as rock quarrying, sand, and gravel. Agricultural woes will probably result in a reduction of fertilizer production and shrinking acreage. This will affect companies in Southeast Idaho where both phosphorus ore is mined and fertilizer is manufactured. As a result of these negative factors, Idaho nonmetal mining employment is projected to decline from 1,256 in 1997 to 1,009 in 2002. Overall, total mining employment in the Gem State should drop from 2,908 in 1998 to 2,628 in 2002.

Construction: Construction employment is expected to slowly decline over the forecast period. This is a marked departure from the earlier part of this decade when this sector enjoyed robust job gains. Hard times fell on the construction sector during the 1980s, and it hit a low in 1987 when employment dropped below 14,000. In that same year there were only 3,400 housing starts in the entire state. However, in the late 1980s the combination of a strong economy, strong population growth, and increased public and

Idaho Mining Employment



Idaho Construction Employment and Housing Starts



private building returned construction employment on a growth path. For example, from its 1988 nadir to its peak in 1994, the number of housing starts more than tripled from 3,334 units to 12,768 units. Over this same period the number of Idaho construction jobs climbed from 14,205 to 28,983, which translates to an incredible 12.6% average annual pace. The number of housing starts dropped to a still-high 9,300 units in 1995 and declined slightly in both 1996 and 1997. However, thanks to strength in nonresidential building, construction employment managed to still post modest gains in these three years. The current forecast calls for Idaho housing starts to eventually work its way back up to about 10,000 by the year 2000. After peaking at just over 32,000 in 1997, Idaho construction employment is expected decline to about 28,800 jobs by 2002.

FORECASTS COMPARISON

Idaho has a dynamic economy whose growth is influenced by a myriad of local, national, and international factors. Therefore, changes to the projected values of such diverse variables as oil prices, interest rates, and national housing starts can have an effect at the state level. In order to account for the effects of such changes on the state's economy, each issue of the *Idaho Economic Forecast* uses DRI's most recent forecast of the U.S. economy. Additional data, such as company-specific expansions and/or contractions are also considered.

The following comparison table shows how the outlooks for several key Idaho and national economic series have changed from the October 1998 to the January 1999 *Idaho Economic Forecasts*. The October 1998 Idaho forecast was based on DRI's September 1998 U.S. macroeconomic forecast and the January 1999 Idaho forecast is driven by DRI's November 1998 forecast.

A review of the differences between the current and previous *Idaho Economic Forecasts* presents conflicting evidence whether the national economic outlook has strengthened or weakened. On the one hand, the forecast for nominal GDP is lower than was previously projected. However, inflation is much lower in the current forecast. As a result, real GDP is stronger, with the largest improvements coming in the short run. Personal income shows the same general pattern. It is up slightly over the previous forecast in most years of the forecast, and down modestly in 2002. Interestingly, the forecast for employment is not as bullish as the forecasts of real GDP and real personal income. National nonfarm employment is about one half percentage point lower in each year of the current forecast compared to the previous one. Services-producing employment is down about one half percent annually, while goods-producing is off just over one percent.

The outlook for Idaho's economy has improved compared to the last forecast. Idaho nonfarm employment is 0.7% higher in each year than was previously projected. The lion's share of this strength is in the services-producing sector. By 2002, this sector should have nearly 3,700 more jobs than was earlier anticipated. Employment in the goods-producing sector is initially stronger, but loses this advantage over time. Specifically, it is about 1,200 higher in 1998, but 300 lower by 2002. The combination of stronger nominal personal income and lower inflation improves Idaho real personal income, especially in 2000 and 2001.

IDAHO ECONOMIC FORECAST
FORECASTS COMPARISON
DIFFERENCES BETWEEN JANUARY 1999 AND OCTOBER 1998 FORECASTS

	1997	1998	1999	2000	2001
GDP (BILLIONS)					
Current \$	0	5	-2	-14	-38
% Difference	0.0%	0.1%	0.0%	-0.2%	-0.4%
1992 Chain-Weighted	0	15	32	27	17
% Difference	0.0%	0.2%	0.4%	0.3%	0.2%
PERSONAL INCOME - CURR \$					
Idaho (Millions)	-119	-3	39	89	80
% Difference	-0.5%	0.0%	0.1%	0.3%	0.3%
U.S. (Billions)	0	-4	14	12	-2
% Difference	0.0%	-0.1%	0.2%	0.2%	0.0%
PERSONAL INCOME - 1992 \$					
Idaho (Millions)	-106	5	27	85	98
% Difference	-0.5%	0.0%	0.1%	0.4%	0.4%
U.S. (Billions)	0	-2	10	12	7
% Difference	0.0%	0.0%	0.2%	0.2%	0.1%
TOTAL NONFARM EMPLOYMENT					
Idaho	-12	3,398	3,828	3,999	4,070
% Difference	0.0%	0.7%	0.7%	0.7%	0.7%
U.S. (Thousands)	0	-22	-694	-864	-895
% Difference	0.0%	0.0%	-0.5%	-0.7%	-0.7%
GOODS PRODUCING SECTOR					
Idaho	0	1,189	460	427	15
% Difference	0.0%	1.1%	0.4%	0.4%	0.0%
U.S. (Thousands)	0	123	-123	-313	-307
% Difference	0.0%	0.5%	-0.5%	-1.3%	-1.3%
SERVICE PRODUCING SECTOR					
Idaho	-12	2,209	3,368	3,572	4,054
% Difference	0.0%	0.5%	0.8%	0.8%	0.9%
U.S. (Thousands)	0	-145	-571	-551	-587
% Difference	0.0%	-0.1%	-0.6%	-0.5%	-0.5%
FINANCIAL MARKETS					
Federal Funds Rate	0.0	-0.1	-0.5	-0.4	0.0
Bank Prime Rate	0.0	-0.1	-0.5	-0.4	0.0
Mort Rate, New Homes	0.0	0.0	0.0	-0.1	0.0
INFLATION					
GDP Price Deflator	0.0	-0.2	-0.5	-0.6	-0.7
Personal Cons Deflator	0.0	0.0	0.0	0.0	-0.2
Consumer Price Index	0.0	-0.1	-0.3	-0.8	-1.4

Forecast Begins the THIRD Quarter of 1998

ALTERNATIVE FORECASTS

DRI has assigned a 55% probability of occurrence to its November 1998 baseline forecast of the U.S. economy. The major features of this forecast include:

- real GDP growth is 3.6% this year, dips to 1.7% next year, then averages about 2.3% thereafter;
- U.S. nonfarm employment rises 2.5% in 1998 then grows between 1.2% and 1.3% through 2002;
- the U.S. civilian unemployment rate rises gradually from 4.5% this year to 5.4% in 2002;
- consumer confidence peaks in 1998, then tapers off over the forecast period;
- consumer inflation accelerates from 1998's 1.6%, but remains under 3.0% through 2002;
- the federal budget posts surpluses in each year of the forecast;
- and the U.S. merchandise trade deficit widens.

While the baseline scenario represents the most likely outcome for the national economy over the next few years, the uncertainties surrounding several key variables mean that other outcomes are also possible. To account for this, DRI prepares alternative forecasts based on different assumptions regarding these key variables. Two of these alternative forecasts, along with their impacts on the Idaho economy, are discussed below.

While it is believed the economy will not suffer a recession over the forecast period, it should be noted that the risk of a recession is high. A review of the probabilities of occurrence for each forecast scenario shows this. The baseline does not include a recession and its probability of occurrence is 55%. However, both of the alternative scenarios do contain recessions and their combined probability of occurrence is 45%. This implies the chances of the economy suffering a recession are just about even with the economy escaping a recession.

PESSIMISTIC SCENARIO

This scenario has been assigned a 30% probability of occurrence. In this case, the Asian contagion spreads further and is more harmful than in the baseline case. An unexpected devaluation of the Chinese currency in early 1999 starts a domino effect that is eventually felt in the U.S. The mechanics of this chain of events is as follows: the Chinese monetary devaluation sets off another round of currency devaluations in Asia. As a result, regional stock markets turn down and recessions deepen in all major Asian countries, including China. Stiff competition from Asian producers, aided by their cheaper currencies, drags Latin America into recession. The Latin American currencies then collapse in response to the Asian devaluations. These international troubles cut U.S. exports, which results in the layoffs of American workers.

As a result of these layoffs, U.S. consumer confidence falls and this takes a toll on consumer spending. This, along with the ongoing slide in foreign demand, pushes the U.S. economy into recession in the first quarter of 1999. The sale of large-ticket items is especially hard hit during this downturn. For example, despite the lowest mortgage rates since the mid-1960s, the housing market falters. The economy is not left alone to recover from its wounds, however. It is assumed the Federal Reserve lowers interest rates quickly

IDAHO ECONOMIC FORECAST
BASELINE AND ALTERNATIVE FORECASTS
JANUARY 1999

	BASELINE				PESSIMISTIC				LATE RECESSION			
	1999	2000	2001	2002	1999	2000	2001	2002	1999	2000	2001	2002
GDP (BILLIONS)												
Current \$	8,775	9,158	9,547	10,014	8,621	8,859	9,215	9,670	8,866	9,059	9,455	9,984
% Ch	3.4%	4.4%	4.2%	4.9%	1.6%	2.8%	4.0%	4.9%	4.4%	2.2%	4.4%	5.6%
1992 Chain-Weighted	7,661	7,837	7,999	8,200	7,527	7,631	7,832	8,090	7,717	7,668	7,819	8,066
% Ch	1.7%	2.3%	2.1%	2.5%	0.0%	1.4%	2.6%	3.3%	2.5%	-0.6%	2.0%	3.2%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	27,074	28,460	29,943	31,624	26,889	28,042	29,366	30,877	27,240	28,650	30,068	31,863
% Ch	4.4%	5.1%	5.2%	5.6%	3.7%	4.3%	4.7%	5.1%	5.0%	5.2%	4.9%	6.0%
U.S. (Billions)	7,426	7,748	8,088	8,470	7,349	7,550	7,831	8,187	7,483	7,791	8,068	8,475
% Ch	4.3%	4.3%	4.4%	4.7%	3.2%	2.7%	3.7%	4.6%	5.1%	4.1%	3.6%	5.1%
PERSONAL INCOME - 1992 \$												
Idaho (Millions)	23,549	24,175	24,808	25,539	23,467	24,070	24,709	25,496	23,587	24,002	24,525	25,325
% Ch	2.4%	2.7%	2.6%	2.9%	2.1%	2.6%	2.7%	3.2%	2.6%	1.8%	2.2%	3.3%
U.S. (Billions)	6,459	6,582	6,702	6,841	6,410	6,474	6,582	6,754	6,480	6,527	6,581	6,737
% Ch	2.3%	1.9%	1.8%	2.1%	1.5%	1.0%	1.7%	2.6%	2.6%	0.7%	0.8%	2.4%
TOTAL NONFARM EMPLOYMENT												
Idaho (Thousands)	532.2	543.7	555.4	569.0	529.7	538.7	551.8	566.7	533.2	540.7	548.7	566.0
% Ch	1.6%	2.2%	2.1%	2.5%	1.2%	1.7%	2.4%	2.7%	1.8%	1.4%	1.5%	3.2%
U.S. (Millions)	127.4	128.9	130.5	132.2	126.3	126.3	127.9	130.3	127.9	127.9	127.9	130.2
% Ch	1.3%	1.2%	1.2%	1.3%	0.4%	0.0%	1.3%	1.9%	1.7%	0.0%	0.0%	1.8%
GOODS PRODUCING SECTOR												
Idaho (Thousands)	109.1	110.4	111.4	112.5	107.3	107.2	109.4	111.0	109.8	108.3	109.1	112.8
% Ch	-1.5%	1.2%	0.9%	0.9%	-3.2%	-0.1%	2.0%	1.5%	-0.9%	-1.4%	0.8%	3.4%
U.S. (Millions)	24.5	24.1	23.9	23.9	24.1	23.0	22.9	23.3	24.7	23.8	23.1	23.4
% Ch	-2.9%	-1.7%	-0.8%	0.0%	-4.5%	-4.4%	-0.5%	1.5%	-2.1%	-3.7%	-2.7%	1.4%
SERVICE PRODUCING SECTOR												
Idaho (Thousands)	423.1	433.3	443.9	456.6	422.4	431.5	442.4	455.7	423.4	432.4	439.6	453.2
% Ch	2.5%	2.4%	2.5%	2.8%	2.3%	2.1%	2.5%	3.0%	2.6%	2.1%	1.6%	3.1%
U.S. (Millions)	102.9	104.9	106.6	108.3	102.2	103.2	104.9	107.0	103.2	104.1	104.8	106.7
% Ch	2.3%	1.9%	1.7%	1.6%	1.6%	1.0%	1.7%	2.0%	2.6%	0.9%	0.7%	1.9%
FINANCIAL MARKETS												
Federal Funds Rate	4.4%	4.1%	4.5%	4.5%	3.9%	3.5%	3.9%	4.5%	4.9%	5.4%	4.4%	3.6%
Bank Prime Rate	7.4%	7.1%	7.5%	7.5%	6.9%	6.5%	6.8%	7.5%	7.7%	8.4%	7.4%	6.6%
Mort Rate, New Homes	6.7%	6.3%	6.5%	6.6%	6.6%	6.3%	6.5%	6.9%	6.8%	7.4%	7.1%	6.6%
INFLATION												
GDP Price Deflator	1.6%	2.0%	2.1%	2.3%	1.5%	1.3%	1.4%	1.6%	1.9%	2.8%	2.4%	2.4%
Personal Cons Deflator	2.0%	2.4%	2.5%	2.6%	1.6%	1.7%	2.0%	1.9%	2.4%	3.4%	2.7%	2.6%
Consumer Price Index	2.4%	2.7%	2.8%	2.8%	2.1%	1.9%	2.1%	2.1%	2.9%	3.7%	2.8%	2.7%

Forecast Begins the **THIRD** Quarter of 1998

and aggressively. The recession is relatively mild thanks to the fundamental strength of the U.S. economy, the lack of domestic inflation, and the timely Federal Reserve action. By 2000, the economy is on the mend. Unfortunately, it takes the federal budget longer to recover. The recession cuts tax revenues, sending the federal budget into red ink in fiscal years 2000, 2001, and 2002.

In this scenario Idaho employment growth is weaker in the first two years compared to the baseline forecast. However, it does pick up speed in the latter half of the forecast period as the national economy rebounds from its downturn. Despite its late surge, Idaho nonfarm employment never fully closes the gap between this scenario and the baseline. In 2002, Idaho nonfarm employment is about 2,000 lower than in the baseline case. Like employment, Idaho personal income also grows slower in the first half of the forecast. In 2002, Idaho nominal personal income is \$750 million lower than in the baseline and Idaho real personal income is down about \$40 million.

LATE-RECESSION SCENARIO

The *Late-Recession Scenario* has been assigned a 15% probability of occurrence. In this scenario, the U.S. economy is strong, but not booming, through 1999. With confidence relatively high and wages rising, consumers continue to spend. The strong domestic demand offsets the slowdown in exports to Asia, helping the unemployment rate remain low. Desiring to ward off any near-term U.S. recession while not doing anything to further damage those foreign economies in crises, the Federal Reserve cuts the federal funds rate to 4.5% in the spring of 1999. Eventually, this strong growth leads to higher inflation. Oil prices increase as producers successfully cut back production. Further, the strong consumption prompts greater investment in both equipment and structures, creating bottlenecks in the capital goods industry and putting additional upward pressure on prices. By late-spring 1999, it is clear that higher wage and fringe benefit increases are flowing through to consumer prices.

The Federal Reserve attempts to stem inflation by raising the federal funds rate beginning in the summer of 1999. As inflation accelerates, consumer confidence plunges and bond yields rise, which causes the stock market to drop. The decline in consumer confidence drags down consumer spending and new home construction. With consumers retrenching, investments in both inventories and new facilities collapse. The economy slides into a three-quarter recession in 2000, producing a 2.0% peak-to-trough decline in real GDP. By the end of the recession, the stock market has retreated about 20% from its mid-1999 peak.

Idaho nonfarm employment is initially stronger in this scenario, but this advantage proves to be small and fleeting. In 1999, Idaho nonfarm employment is about 1,000 higher compared to the baseline. However, the slowing U.S. economy takes its toll on Idaho employment in the remaining years, and by 2002 Idaho nonfarm employment is actually 3,000 lower than in the baseline case. Interestingly, Idaho nominal personal income is higher in each year than in the baseline forecast. However, most of this gain is driven by higher inflation. After adjusting for inflation, Idaho personal income in this scenario is actually lower in the last three years of the forecast compared to the baseline case.

RESPONDING TO ASIA'S CRISES*

Ramon Moreno

It is now more than a year since the financial crises broke out in East Asia. Yet the sharp currency depreciations associated with the crises have not spurred rapid growth in their dollar exports, which would underpin a rebound in economic activity in the region. What accounts for the sluggish recovery in East Asia? What are the appropriate policy responses? This article attempts to provide some perspective on these questions by reviewing the impact of East Asia's crises on their financial sectors. It argues that difficulties in restoring financial flows are the main obstacle to recovery in East Asia, and stresses the importance of adopting policies that will facilitate the participation of private investors in the recovery.

Crises and Effects

For decades, East Asia was widely regarded as a model for other emerging markets. Fiscal policy was not profligate, monetary policy was not inflationary, and the region enjoyed high saving and investment rates. What the crises in East Asia have taught economists and policymakers is that these "fundamentals" alone are not enough to insulate an economy from a crisis.

Rather, problems in other "fundamentals" made East Asian economies vulnerable. Starting in the second half of the 1980s, rapid growth was accompanied by sharp increases in stock and land prices. East Asians borrowed against their increased wealth, in some cases rapidly increasing short-term borrowing from abroad. The boom lasted until the mid-1990s, when a series of external shocks—greater competition from China, the depreciation of the Japanese yen, and the sharp decline in semiconductor prices—hurt East Asian export revenues, causing slower economic growth and falling asset prices. In some Asian economies, these events were accompanied by growing weakness in the financial sector that ultimately triggered collapsing currencies, starting with Thailand in July 1997. The events in Thailand prompted investors to reassess and test the robustness of currency pegs and financial systems in the region. The result was a wave of currency depreciations (20%-80%) and stock market declines (50% or higher), first affecting Southeast Asia, then spreading to the rest of the region (see Moreno 1998 for more detailed discussion of the causes of the Asian crises).

Other things equal, a currency depreciation would stimulate growth by lowering the price of exports. But in East Asia, other things have not been equal, so to speak. The currency devaluations and collapsing asset prices not only caused steep reductions in wealth and purchasing power, but they also disrupted the balance sheets of lenders and borrowers in East Asia. Many East Asian firms borrowed in U.S. dollars without hedging, and the large increases in their debt burdens when currency pegs collapsed have rendered them insolvent. The weak balance sheets of borrowers have in turn impaired the financial position of banks, producing a severe credit crunch that is a major obstacle to recovery, particularly in the three economies with the most fragile financial sectors—Indonesia, Korea and Thailand. Indeed, lack of access to financing is an important reason why East Asian exporters have been unable to increase their output. Combining this with the recession in Japan, one of their major export markets, set the stage for a severe economic contraction.

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Policy Responses

Observers agree that the key to overcoming East Asia's crises is to restore voluntary financial flows and investment spending. However, they disagree on the best way to achieve this. The strategy so far has been to stimulate investor confidence and spending by (i) stabilizing the external payments position of East Asian economies and (ii) restoring credit flows.

The external payments situation has been stabilized through large IMF-led aid programs (totaling \$118 billion for the most affected East Asian economies), the rescheduling of short-term foreign debt, and reductions in foreign borrowing through painful reversals of current account deficits. For example, in South Korea, foreign reserves were nearly depleted at the end of 1997. Adjustment efforts strengthened the balance of payments position to such a degree that by the second quarter of 1998, the South Korean won began appreciating, to the discomfort of South Korean exporters. (A similar rebound in the exchange rate is apparent in Thailand.) Nevertheless, there are few signs of growth in South Korea because credit flows have stopped.

Restoring credit flows and investment requires repairing the balance sheets of banks and borrowers. Lenders are saddled with bad loans, and even those in a better financial position will not lend to firms whose net worth is negative, even if these firms have profitable projects. Bankrupt institutions need to be weeded out, non-performing loans have to be written off, and financial institutions and borrowers recapitalized so that normal operations can resume.

In a market economy, recapitalization happens automatically, as stronger and more efficient firms take over bankrupt institutions at low prices, setting the stage for renewed investment and recovery. However, East Asia faces a number of obstacles to such a market adjustment. In several countries, the lack of effective bankruptcy provisions has made it difficult to dispose of properties. The true value of assets being offered for sale is hard to determine, due to a lack of transparency and deficient accounting and reporting. In some cases, the high debt ratios of corporations make them unattractive buys. For example, earlier this year, Ford Motor Corporation withdrew its bid to purchase bankrupt Kia Motors in Korea because of Kia's extremely large debt. Investors also have been deterred by labor market conditions that make it very difficult to restructure firms.

While East Asian policymakers are working to overcome these obstacles, progress has been slow. One reason is that these characteristics of East Asian economies are part of institutional arrangements associated with decades of rapid growth. It is still not entirely clear whether the current crises have produced a consensus on the value of abandoning these arrangements.

As the costs of recapitalization after a major financial crisis are often very high (they have reached 25% of GDP or higher in major banking crises in other regions), government funds also are needed. In the short run, central bank funds have been used to assume bad loans and pay off depositors of failing institutions. In order to keep the central bank balance sheet healthy and limit money creation, the central government at some point assumes the costs directly through deficit financing or tax revenues. Financial sector repair thus raises questions about the extent to which policymakers should resort to money creation, raise taxes, or rely on deficit financing. This is closely related to the hotly debated question of the appropriate fiscal and monetary policy response to the crises.

Macroeconomic Policies

In dealing with the crises, East Asian policymakers face a policy dilemma, as they must simultaneously (i) stimulate the economy and (ii) stabilize the exchange rate as well as inflation, the latter being important to restore voluntary credit flows. (The double-digit inflation in Indonesia suggests that, in

spite of economic contraction, the threat of inflation is real.) To resolve the dilemma Moreno, Pasadilla, and Remolona (1998) suggest that fiscal policy be assigned to restore growth (including financial sector repair and the social safety net) and monetary policy to stabilize exchange rate expectations and inflation. The latter implies maintaining a predictable monetary policy stance with some clear nominal target, given that exchange rate targeting is too costly. (For example, in Mexico after 1994, the monetary base was targeted, but some other target also may be considered.) However, the overall degree of tightness or ease in macroeconomic policy needs to be determined case by case.

Macroeconomic policies in East Asia were initially tight, but have since eased considerably. For example, anticipated 1998 fiscal deficits in the IMF program for Korea rose from 1% of GDP in February to 5% of GDP in the latest program. In Indonesia, an originally anticipated fiscal surplus of 1% of GDP switched to a deficit of 8.5%. As for interest rates, these rose in the early stages of the crises, when currencies were under pressure, but have since declined in a number of economies. For example, after reaching a peak of 35%, the Korean interbank rate at this writing had fallen to just over 8%, compared to around 14% when the crises broke out. Nominal interest rates in Indonesia are still high—close to 70%—but are much lower after accounting for inflation.

Have Current Policies Worked?

Have the strategies for overcoming the crises worked so far? It is now generally recognized that fiscal policy was too tight in the early stages of the crises, in part because growth forecasts were too optimistic. As occurred in Mexico after the peso collapse in 1994, many observers initially failed to recognize that the sudden reversal in capital inflows and related disruptions in the flow of credit would cause severe economic contraction.

While interest rates also have fallen to their pre-crisis levels, initially tight monetary policies have been criticized. But it is not clear whether calls for much more aggressive monetary stimulus should be heeded. With an open capital account, lowering interest rates can further destabilize the exchange rate, which will not restore investment confidence nor output growth.

To allow for greater monetary stimulus without destabilizing the exchange rate, some economists (Krugman 1998) have called for the imposition of capital controls, a step recently adopted by Malaysia. Under the new rules, central bank approval is needed to convert Malaysian ringgit into foreign exchange, and transactions involving foreign currency or foreign residents are generally restricted. (The government still permits (i) general convertibility of current account transactions, (ii) free flows of direct foreign investment, and (iii) repatriation of interest, profits, and dividends and capital.) This prevents the sudden outflow of capital even if Malaysian interest rates fall below world interest rates. The Malaysian ringgit has been fixed at 3.80 to the U.S. dollar, and the government has adopted a number of measures to stimulate credit.

This strategy reflects the perception that in the current uncertain global environment, investors (both domestic and foreign) whose capital has left emerging markets are not likely to bring these funds back in the near future. It thus relies on domestic macroeconomic stimulus, rather than the resumption of private financing, to restore economic activity. This strategy involves at least two risks.

First, the restoration of capital inflows may turn out to be crucial in ensuring an early recovery after all. Indeed, it can be argued that one reason Mexico recovered so quickly from the 1994 peso crisis is the large foreign investor participation in its export sector. These well-capitalized producers experienced no interruption in their access to credit. East Asian producers with viable plants, in contrast, are having great difficulty securing working capital or other financing because of the disruptions in their balance

sheets. Capital controls may discourage foreign equity financing (or the repatriation of East Asian capital) that could help overcome this problem, thus delaying the recovery. Monetary stimulus may offset these effects, but the sluggish growth of Japan in the 1990s suggests that such stimulus may not easily overcome weaknesses in the financial sector.

Second, capital controls may insulate economies that adopt them so effectively that they will lose the incentive to restructure their economies in a manner that will help prevent future crises. Given the high costs of the current crises, this is an important consideration in choosing policy responses.

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IDAHO ECONOMIC FORECAST

JANUARY 1999

FORECAST DETAIL

Annual Forecast 1983-2002 Page 30

Quarterly Forecast 1996-2001..... Page 44

Reporting Conventions

Units of measurement are presented in the individual reports. If not otherwise indicated, population is in millions; income is in billions; and employment is in thousands.

The percentage change numbers given in the annual reports are simple period-to-period percent changes. Since the periods are years, they are thus simple annual changes. The percentage changes given in the quarterly report are period-to-period changes at compound annual rates, following standard practice. A large change in a given quarter can seem to be exaggerated since the calculation assumes the change is compounded over an entire year.

Data Sources

National forecast data are provided by Standard and Poor's DRI and the Food and Agricultural Policy Research Institute (FAPRI). Historical data for the models are obtained from the following agencies: Bureau of the Census (demographic), Bureau of Economic Analysis (income), Bureau of Labor Statistics (employment), Federal Reserve Board of Governors (production), and U.S. Department of Agriculture (farm).

Idaho historical data are obtained from the Department of Labor (employment and hourly earnings), Bureau of Vital Statistics (births and deaths), Division of Financial Management (migration), and the Bureau of Economic Analysis (income).

The Idaho average annual wage is calculated by the Division of Financial Management from Bureau of Economic Analysis and Idaho Department of Labor data. Because of the different methodology used and data available, this figure may not match those published by other sources.

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

DEMOGRAPHICS

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
POPULATION										
Idaho (Thousands)	982.2	991.5	993.8	990.5	986.6	988.5	996.7	1,010.7	1,037.5	1,068.1
% Ch	0.9%	0.9%	0.2%	-0.3%	-0.4%	0.2%	0.8%	1.4%	2.6%	3.0%
National (Millions)	234.6	236.6	238.7	240.9	243.1	245.3	247.7	250.3	253.0	255.7
% Ch	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	1.0%	1.1%	1.1%	1.1%
BIRTHS										
Idaho (Thousands)	18.742	17.996	17.5385	16.4235	15.905	15.759	15.863	16.423	16.741	17.197
% Ch	-4.3%	-4.0%	-2.5%	-6.4%	-3.2%	-0.9%	0.7%	3.5%	1.9%	2.7%
National (Thousands)	3,639.0	3,669.0	3,761.0	3,757.0	3,809.0	3,910.0	4,041.0	4,158.0	4,110.0	4,038.0
% Ch	-1.1%	0.8%	2.5%	-0.1%	1.4%	2.7%	3.4%	2.9%	-1.2%	-1.8%
DEATHS										
Idaho (Thousands)	7.204	7.229	7.105	7.345	7.307	7.611	7.389	7.358	7.644	7.887
% Ch	4.0%	0.3%	-1.7%	3.4%	-0.5%	4.2%	-2.9%	-0.4%	3.9%	3.2%
National (Thousands)	2,019.0	2,039.0	2,086.0	2,105.0	2,123.0	2,168.0	2,150.0	2,162.0	2,163.0	2,210.0
% Ch	2.2%	1.0%	2.3%	0.9%	0.9%	2.1%	-0.8%	0.6%	0.0%	2.2%
NET MIGRATION										
Idaho (Thousands)	-3.141	-1.487	-8.149	-12.390	-12.541	-6.249	-0.251	4.984	17.628	21.365
HOUSING										
HOUSING STARTS										
Idaho	4,453	4,548	4,337	4,164	3,409	3,334	4,674	5,831	6,600	9,583
% Ch	74.3%	2.1%	-4.6%	-4.0%	-18.1%	-2.2%	40.2%	24.8%	13.2%	45.2%
National (Millions)	1.705	1.766	1.741	1.812	1.631	1.488	1.382	1.203	1.009	1.201
% Ch	61.3%	3.6%	-1.4%	4.0%	-10.0%	-8.7%	-7.1%	-12.9%	-16.2%	19.1%
SINGLE UNITS										
Idaho	3,755	3,588	3,212	3,157	2,744	2,981	3,711	4,786	5,662	7,899
% Ch	74.0%	-4.5%	-10.5%	-1.7%	-13.1%	8.6%	24.5%	29.0%	18.3%	39.5%
National (Millions)	1.065	1.098	1.071	1.182	1.154	1.083	1.006	0.901	0.835	1.032
% Ch	60.6%	3.1%	-2.5%	10.4%	-2.4%	-6.2%	-7.1%	-10.5%	-7.3%	23.6%
MULTIPLE UNITS										
Idaho	698	961	1,125	1,007	665	353	963	1,046	938	1,684
% Ch	75.9%	37.6%	17.1%	-10.5%	-33.9%	-47.0%	173.2%	8.6%	-10.3%	79.6%
National (Millions)	0.641	0.668	0.671	0.630	0.476	0.405	0.376	0.303	0.174	0.170
% Ch	62.4%	4.3%	0.4%	-6.1%	-24.3%	-15.0%	-7.2%	-19.5%	-42.6%	-2.4%
HOUSING STOCK										
Idaho (Thousands)	311.7	315.4	318.7	322.1	324.8	327.1	330.1	334.8	339.8	347.4
% Ch	0.9%	1.2%	1.0%	1.1%	0.8%	0.7%	0.9%	1.4%	1.5%	2.2%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

DEMOGRAPHICS

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
POPULATION										
Idaho (Thousands)	1,098.4	1,131.0	1,159.9	1,186.7	1,211.0	1,232.9	1,255.1	1,278.3	1,301.8	1,327.0
% Ch	2.8%	3.0%	2.6%	2.3%	2.0%	1.8%	1.8%	1.8%	1.8%	1.9%
National (Millions)	258.4	260.9	263.3	265.8	268.2	270.6	272.9	275.2	277.5	279.8
% Ch	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%	0.8%	0.8%	0.8%
BIRTHS										
Idaho (Thousands)	17.575	17.690	17.915	18.482	18.599	18.760	18.972	19.216	19.474	19.790
% Ch	2.2%	0.7%	1.3%	3.2%	0.6%	0.9%	1.1%	1.3%	1.3%	1.6%
National (Thousands)	3,997.0	3,964.0	3,935.0	3,911.0	3,892.0	3,880.0	3,874.0	3,872.0	3,876.0	3,885.0
% Ch	-1.0%	-0.8%	-0.7%	-0.6%	-0.5%	-0.3%	-0.2%	-0.1%	0.1%	0.2%
DEATHS										
Idaho (Thousands)	8.277	8.478	8.553	8.679	8.953	9.114	9.276	9.443	9.612	9.789
% Ch	4.9%	2.4%	0.9%	1.5%	3.2%	1.8%	1.8%	1.8%	1.8%	1.8%
National (Thousands)	2,237.0	2,264.0	2,291.0	2,318.0	2,345.0	2,372.0	2,399.0	2,424.0	2,446.0	2,467.0
% Ch	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.1%	1.0%	0.9%	0.9%
NET MIGRATION										
Idaho (Thousands)	20.977	23.411	19.563	16.982	14.572	12.284	12.554	13.382	13.700	15.166
HOUSING										
HOUSING STARTS										
Idaho	11,456	12,768	9,361	9,216	8,868	9,738	9,392	9,745	9,845	10,028
% Ch	19.5%	11.5%	-26.7%	-1.6%	-3.8%	9.8%	-3.6%	3.8%	1.0%	1.9%
National (Millions)	1.292	1.446	1.361	1.470	1.478	1.592	1.502	1.475	1.469	1.496
% Ch	7.5%	12.0%	-5.9%	8.0%	0.6%	7.7%	-5.6%	-1.8%	-0.4%	1.9%
SINGLE UNITS										
Idaho	8,937	9,423	7,281	7,854	7,663	8,777	8,552	8,709	8,796	9,083
% Ch	13.1%	5.4%	-22.7%	7.9%	-2.4%	14.5%	-2.6%	1.8%	1.0%	3.3%
National (Millions)	1.131	1.191	1.082	1.155	1.140	1.246	1.167	1.124	1.103	1.115
% Ch	9.6%	5.4%	-9.2%	6.7%	-1.3%	9.3%	-6.3%	-3.7%	-1.9%	1.1%
MULTIPLE UNITS										
Idaho	2,518	3,345	2,080	1,362	1,205	961	840	1,036	1,049	945
% Ch	49.5%	32.8%	-37.8%	-34.5%	-11.5%	-20.2%	-12.6%	23.3%	1.3%	-9.9%
National (Millions)	0.161	0.255	0.279	0.315	0.338	0.345	0.335	0.351	0.366	0.381
% Ch	-5.1%	58.3%	9.4%	12.9%	7.3%	2.1%	-3.0%	4.9%	4.2%	4.1%
HOUSING STOCK										
Idaho (Thousands)	356.9	368.7	377.8	386.2	393.7	402.2	410.3	418.7	427.3	435.9
% Ch	2.7%	3.3%	2.4%	2.2%	1.9%	2.2%	2.0%	2.0%	2.0%	2.0%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

OUTPUT, INCOME, & WAGES

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
GROSS DOM. PRODUCT (Billions)										
Current Dollars	3,514.5	3,902.4	4,180.7	4,422.2	4,692.3	5,049.6	5,438.7	5,743.8	5,916.7	6,244.5
% Ch	8.4%	11.0%	7.1%	5.8%	6.1%	7.6%	7.7%	5.6%	3.0%	5.5%
1992 Chain-Weighted	4,803.7	5,140.1	5,323.5	5,487.7	5,649.4	5,865.2	6,062.0	6,136.3	6,079.4	6,244.4
% Ch	4.0%	7.0%	3.6%	3.1%	2.9%	3.8%	3.4%	1.2%	-0.9%	2.7%
PERSONAL INCOME - CURR \$										
Idaho (Millions)	9,939	10,681	11,264	11,549	12,081	12,920	14,203	15,528	16,267	17,700
% Ch	8.1%	7.5%	5.5%	2.5%	4.6%	6.9%	9.9%	9.3%	4.8%	8.8%
Idaho Nonfarm (Millions)	9,350	10,178	10,803	11,073	11,495	12,285	13,344	14,551	15,465	16,892
% Ch	6.1%	8.9%	6.1%	2.5%	3.8%	6.9%	8.6%	9.0%	6.3%	9.2%
National (Billions)	2,894	3,211	3,441	3,640	3,878	4,179	4,496	4,796	4,966	5,256
% Ch	6.3%	11.0%	7.1%	5.8%	6.5%	7.8%	7.6%	6.7%	3.5%	5.8%
PERSONAL INCOME - 1992 \$										
Idaho (Millions)	14,104	14,602	14,853	14,807	14,921	15,321	16,058	16,713	16,800	17,698
% Ch	3.4%	3.5%	1.7%	-0.3%	0.8%	2.7%	4.8%	4.1%	0.5%	5.3%
Idaho Nonfarm (Millions)	13,268	13,914	14,245	14,196	14,197	14,568	15,087	15,660	15,972	16,891
% Ch	1.5%	4.9%	2.4%	-0.3%	0.0%	2.6%	3.6%	3.8%	2.0%	5.8%
National (Billions)	4,108	4,391	4,537	4,666	4,790	4,956	5,084	5,162	5,129	5,256
% Ch	1.6%	6.9%	3.3%	2.8%	2.6%	3.5%	2.6%	1.5%	-0.6%	2.5%
PER CAPITA PERS INC - CURR \$										
Idaho	10,118	10,772	11,334	11,660	12,246	13,071	14,250	15,363	15,679	16,569
% Ch	7.1%	6.5%	5.2%	2.9%	5.0%	6.7%	9.0%	7.8%	2.1%	5.7%
National	12,340	13,572	14,412	15,107	15,952	17,035	18,154	19,163	19,628	20,553
% Ch	5.3%	10.0%	6.2%	4.8%	5.6%	6.8%	6.6%	5.6%	2.4%	4.7%
PER CAPITA PERS INC - 1992 \$										
Idaho	14,359	14,726	14,946	14,949	15,125	15,500	16,112	16,536	16,194	16,569
% Ch	2.5%	2.6%	1.5%	0.0%	1.2%	2.5%	3.9%	2.6%	-2.1%	2.3%
National	17,514	18,555	19,006	19,369	19,704	20,204	20,527	20,624	20,274	20,553
% Ch	0.7%	5.9%	2.4%	1.9%	1.7%	2.5%	1.6%	0.5%	-1.7%	1.4%
AVERAGE ANNUAL WAGE										
Idaho	15,466	16,058	16,646	17,182	17,620	18,331	18,891	19,755	20,549	21,472
% Ch	4.4%	3.8%	3.7%	3.2%	2.5%	4.0%	3.1%	4.6%	4.0%	4.5%
National	18,695	19,650	20,494	21,305	22,292	23,323	24,083	25,205	26,120	27,501
% Ch	5.0%	5.1%	4.3%	4.0%	4.6%	4.6%	3.3%	4.7%	3.6%	5.3%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

OUTPUT, INCOME, & WAGES

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
GROSS DOM. PRODUCT (Billions)										
Current Dollars	6,558.1	6,947.0	7,269.6	7,661.6	8,110.9	8,489.0	8,774.8	9,158.3	9,547.4	10,013.8
% Ch	5.0%	5.9%	4.6%	5.4%	5.9%	4.7%	3.4%	4.4%	4.2%	4.9%
1992 Chain-Weighted	6,389.5	6,610.7	6,761.7	6,994.8	7,269.8	7,531.0	7,660.9	7,837.2	7,998.8	8,199.9
% Ch	2.3%	3.5%	2.3%	3.4%	3.9%	3.6%	1.7%	2.3%	2.1%	2.5%
PERSONAL INCOME - CURR \$										
Idaho (Millions)	19,475	20,628	22,071	23,430	24,681	25,932	27,074	28,460	29,943	31,624
% Ch	10.0%	5.9%	7.0%	6.2%	5.3%	5.1%	4.4%	5.1%	5.2%	5.6%
Idaho Nonfarm (Millions)	18,339	19,979	21,371	22,647	23,956	25,250	26,351	27,698	29,160	30,821
% Ch	8.6%	8.9%	7.0%	6.0%	5.8%	5.4%	4.4%	5.1%	5.3%	5.7%
National (Billions)	5,481	5,758	6,072	6,425	6,784	7,119	7,426	7,748	8,088	8,470
% Ch	4.3%	5.1%	5.5%	5.8%	5.6%	4.9%	4.3%	4.3%	4.4%	4.7%
PERSONAL INCOME - 1992 \$										
Idaho (Millions)	18,967	19,615	20,518	21,347	22,073	22,996	23,549	24,175	24,808	25,539
% Ch	7.2%	3.4%	4.6%	4.0%	3.4%	4.2%	2.4%	2.7%	2.6%	2.9%
Idaho Nonfarm (Millions)	17,861	18,998	19,867	20,634	21,425	22,392	22,920	23,528	24,160	24,890
% Ch	5.7%	6.4%	4.6%	3.9%	3.8%	4.5%	2.4%	2.7%	2.7%	3.0%
National (Billions)	5,339	5,476	5,645	5,854	6,068	6,313	6,459	6,582	6,702	6,841
% Ch	1.6%	2.6%	3.1%	3.7%	3.6%	4.1%	2.3%	1.9%	1.8%	2.1%
PER CAPITA PERS INC - CURR \$										
Idaho	17,727	18,236	19,026	19,742	20,380	21,033	21,570	22,263	23,000	23,830
% Ch	7.0%	2.9%	4.3%	3.8%	3.2%	3.2%	2.6%	3.2%	3.3%	3.6%
National	21,212	22,069	23,058	24,177	25,295	26,310	27,209	28,151	29,145	30,276
% Ch	3.2%	4.0%	4.5%	4.9%	4.6%	4.0%	3.4%	3.5%	3.5%	3.9%
PER CAPITA PERS INC - 1992 \$										
Idaho	17,266	17,342	17,688	17,988	18,228	18,652	18,762	18,912	19,056	19,245
% Ch	4.2%	0.4%	2.0%	1.7%	1.3%	2.3%	0.6%	0.8%	0.8%	1.0%
National	20,661	20,988	21,437	22,029	22,624	23,333	23,668	23,916	24,150	24,454
% Ch	0.5%	1.6%	2.1%	2.8%	2.7%	3.1%	1.4%	1.0%	1.0%	1.3%
AVERAGE ANNUAL WAGE										
Idaho	21,980	22,747	23,625	24,105	24,797	25,738	26,710	27,675	28,604	29,535
% Ch	2.4%	3.5%	3.9%	2.0%	2.9%	3.8%	3.8%	3.6%	3.4%	3.3%
National	27,912	28,394	29,257	30,363	31,708	32,972	34,316	35,559	36,724	37,935
% Ch	1.5%	1.7%	3.0%	3.8%	4.4%	4.0%	4.1%	3.6%	3.3%	3.3%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

PERSONAL INCOME -- CURR \$\$

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
WAGE AND SALARY PAYMENTS										
Idaho (Millions)	5,203	5,587	5,883	5,930	6,172	6,701	7,247	7,969	8,531	9,309
% Ch	6.1%	7.4%	5.3%	0.8%	4.1%	8.6%	8.2%	10.0%	7.0%	9.1%
National (Billions)	1,685	1,855	1,996	2,117	2,273	2,454	2,598	2,757	2,828	2,986
% Ch	5.7%	10.1%	7.6%	6.0%	7.4%	8.0%	5.9%	6.1%	2.5%	5.6%
FARM PROPRIETORS INCOME										
Idaho (Millions)	431	349	306	333	445	473	685	774	604	606
% Ch	94.8%	-19.0%	-12.1%	8.8%	33.5%	6.4%	44.8%	13.0%	-22.0%	0.4%
National (Billions)	4	23	24	24	32	27	36	35	29	37
% Ch	-71.5%	462.4%	1.8%	2.6%	30.4%	-12.9%	32.1%	-2.3%	-17.4%	26.7%
NONFARM PROPRIETORS INCOME										
Idaho (Millions)	842	1,045	1,123	1,166	1,251	1,353	1,457	1,530	1,478	1,775
% Ch	15.9%	24.1%	7.5%	3.9%	7.2%	8.2%	7.6%	5.0%	-3.4%	20.2%
National (Billions)	188	226	245	255	274	308	321	339	347	387
% Ch	13.7%	20.1%	8.6%	4.2%	7.2%	12.5%	4.3%	5.4%	2.5%	11.4%
DIVIDENDS, RENT & INTEREST										
Idaho (Millions)	1,788	1,990	2,096	2,161	2,179	2,252	2,505	2,680	2,773	2,814
% Ch	0.6%	11.3%	5.3%	3.1%	0.8%	3.3%	11.2%	7.0%	3.5%	1.5%
National (Billions)	520	598	636	671	695	755	853	900	905	884
% Ch	6.3%	14.9%	6.4%	5.5%	3.6%	8.6%	12.9%	5.6%	0.5%	-2.3%
OTHER LABOR INCOME										
Idaho (Millions)	510	542	579	588	634	679	755	867	964	1,088
% Ch	9.6%	6.3%	6.8%	1.6%	7.8%	7.1%	11.3%	14.8%	11.2%	12.8%
National (Billions)	177	189	203	216	235	252	273	301	323	351
% Ch	7.2%	6.6%	7.5%	6.3%	9.0%	6.9%	8.5%	10.1%	7.4%	8.9%
GOVT. TRANSFERS TO INDIV.										
Idaho (Millions)	1,506	1,534	1,681	1,778	1,820	1,940	2,086	2,278	2,539	2,790
% Ch	6.1%	1.8%	9.6%	5.8%	2.3%	6.6%	7.5%	9.2%	11.5%	9.9%
National (Billions)	439	454	487	519	543	578	626	688	770	858
% Ch	7.7%	3.2%	7.3%	6.6%	4.8%	6.3%	8.4%	9.9%	11.9%	11.5%
CONTRIB. FOR SOCIAL INSUR.										
Idaho (Millions)	398	434	480	499	519	593	661	719	787	850
% Ch	6.6%	9.1%	10.4%	4.0%	4.0%	14.3%	11.6%	8.8%	9.4%	8.0%
National (Billions)	120	133	149	162	174	194	211	224	236	248
% Ch	6.6%	10.9%	12.3%	8.8%	7.1%	11.8%	8.6%	6.2%	5.3%	5.3%
RESIDENCE ADJUSTMENT										
Idaho (Millions)	58	70	76	92	101	116	130	150	165	167
% Ch	-2.5%	20.8%	9.3%	20.3%	9.8%	15.4%	11.8%	15.6%	10.0%	1.2%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

PERSONAL INCOME -- CURR \$\$

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
WAGE AND SALARY PAYMENTS										
Idaho (Millions)	9,994	10,926	11,742	12,335	13,117	14,011	14,767	15,616	16,470	17,406
% Ch	7.4%	9.3%	7.5%	5.1%	6.3%	6.8%	5.4%	5.7%	5.5%	5.7%
National (Billions)	3,090	3,241	3,429	3,631	3,890	4,147	4,371	4,585	4,792	5,015
% Ch	3.5%	4.9%	5.8%	5.9%	7.1%	6.6%	5.4%	4.9%	4.5%	4.7%
FARM PROPRIETORS INCOME										
Idaho (Millions)	914	365	388	472	385	309	334	360	369	378
% Ch	50.7%	-60.0%	6.1%	21.7%	-18.3%	-19.8%	8.1%	7.7%	2.6%	2.5%
National (Billions)	32	37	22	39	35	27	28	30	30	31
% Ch	-12.7%	13.9%	-39.2%	73.5%	-8.8%	-25.1%	6.5%	6.1%	1.1%	1.1%
NONFARM PROPRIETORS INCOME										
Idaho (Millions)	2,071	2,307	2,408	2,519	2,704	2,875	2,956	3,131	3,295	3,478
% Ch	16.7%	11.4%	4.4%	4.6%	7.3%	6.3%	2.8%	5.9%	5.2%	5.5%
National (Billions)	418	435	466	489	516	547	562	593	623	655
% Ch	8.2%	3.9%	7.1%	5.0%	5.5%	6.1%	2.8%	5.6%	4.9%	5.2%
DIVIDENDS, RENT & INTEREST										
Idaho (Millions)	3,007	3,303	3,583	3,920	4,166	4,284	4,319	4,350	4,471	4,651
% Ch	6.9%	9.8%	8.5%	9.4%	6.3%	2.8%	0.8%	0.7%	2.8%	4.0%
National (Billions)	904	964	1,031	1,118	1,166	1,189	1,197	1,201	1,227	1,269
% Ch	2.2%	6.6%	7.1%	8.4%	4.3%	2.0%	0.6%	0.3%	2.2%	3.4%
OTHER LABOR INCOME										
Idaho (Millions)	1,218	1,361	1,365	1,322	1,330	1,379	1,444	1,537	1,635	1,742
% Ch	12.0%	11.7%	0.3%	-3.1%	0.5%	3.7%	4.8%	6.4%	6.4%	6.5%
National (Billions)	385	405	402	387	393	407	426	449	473	499
% Ch	9.6%	5.2%	-0.8%	-3.7%	1.5%	3.5%	4.7%	5.4%	5.3%	5.4%
GOVT. TRANSFERS TO INDIV.										
Idaho (Millions)	3,038	3,222	3,510	3,814	3,991	4,156	4,388	4,659	4,957	5,291
% Ch	8.9%	6.0%	8.9%	8.7%	4.6%	4.1%	5.6%	6.2%	6.4%	6.7%
National (Billions)	912	955	1,016	1,068	1,110	1,149	1,206	1,271	1,342	1,419
% Ch	6.3%	4.7%	6.4%	5.1%	4.0%	3.5%	5.0%	5.4%	5.5%	5.8%
CONTRIB. FOR SOCIAL INSUR.										
Idaho (Millions)	919	1,017	1,109	1,169	1,257	1,343	1,409	1,485	1,564	1,651
% Ch	8.2%	10.6%	9.0%	5.4%	7.5%	6.9%	4.9%	5.4%	5.3%	5.5%
National (Billions)	260	277	294	306	326	347	365	382	399	418
% Ch	4.8%	6.6%	5.8%	4.3%	6.5%	6.4%	5.1%	4.7%	4.5%	4.6%
RESIDENCE ADJUSTMENT										
Idaho (Millions)	151	161	186	216	246	262	276	294	311	331
% Ch	-9.9%	6.6%	15.7%	16.3%	13.6%	6.5%	5.4%	6.4%	6.0%	6.2%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

EMPLOYMENT

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
TOTAL NONFARM EMPLOYMENT										
Idaho	317,838	330,206	335,909	328,271	333,449	348,268	366,017	385,332	398,119	416,607
% Ch	1.8%	3.9%	1.7%	-2.3%	1.6%	4.4%	5.1%	5.3%	3.3%	4.6%
National (Thousands)	90,145	94,404	97,387	99,344	101,953	105,202	107,883	109,404	108,255	108,591
% Ch	0.7%	4.7%	3.2%	2.0%	2.6%	3.2%	2.5%	1.4%	-1.1%	0.3%
GOODS PRODUCING SECTOR										
Idaho	67,427	73,326	73,580	69,608	70,345	75,624	80,312	85,478	86,521	90,495
% Ch	3.0%	8.7%	0.3%	-5.4%	1.1%	7.5%	6.2%	6.4%	1.2%	4.6%
National (Thousands)	23,329	24,718	24,843	24,536	24,673	25,123	25,253	24,909	23,749	23,232
% Ch	-2.1%	6.0%	0.5%	-1.2%	0.6%	1.8%	0.5%	-1.4%	-4.7%	-2.2%
MANUFACTURING										
Idaho	50,247	54,602	54,660	52,103	54,056	58,139	60,572	62,889	63,219	65,751
% Ch	5.1%	8.7%	0.1%	-4.7%	3.7%	7.6%	4.2%	3.8%	0.5%	4.0%
National (Thousands)	18,433	19,375	19,250	18,948	18,998	19,315	19,391	19,075	18,405	18,106
% Ch	-1.9%	5.1%	-0.6%	-1.6%	0.3%	1.7%	0.4%	-1.6%	-3.5%	-1.6%
DURABLE MANUFACTURING										
Idaho	25,423	27,566	26,759	25,524	26,831	29,560	32,176	34,065	33,144	34,794
% Ch	10.7%	8.4%	-2.9%	-4.6%	5.1%	10.2%	8.9%	5.9%	-2.7%	5.0%
National (Thousands)	10,707	11,477	11,458	11,195	11,154	11,363	11,394	11,107	10,568	10,279
% Ch	-2.8%	7.2%	-0.2%	-2.3%	-0.4%	1.9%	0.3%	-2.5%	-4.9%	-2.7%
LUMBER & WOOD PRODUCTS										
Idaho	13,868	14,213	13,506	13,240	13,379	13,984	14,747	14,897	13,470	14,004
% Ch	14.1%	2.5%	-5.0%	-2.0%	1.1%	4.5%	5.5%	1.0%	-9.6%	4.0%
National (Thousands)	670	718	711	724	754	768	757	733	675	680
% Ch	9.8%	7.1%	-0.9%	1.8%	4.1%	1.8%	-1.4%	-3.1%	-7.9%	0.7%
STONE, CLAY, GLASS, etc.										
Idaho	2,679	2,785	2,783	2,761	2,804	2,878	3,276	3,387	3,291	3,199
% Ch	2.3%	4.0%	-0.1%	-0.8%	1.6%	2.7%	13.8%	3.4%	-2.8%	-2.8%
National (Thousands)	1,909	2,023	2,021	1,977	1,954	1,996	2,014	1,975	1,877	1,843
% Ch	-3.2%	6.0%	-0.1%	-2.2%	-1.2%	2.2%	0.9%	-1.9%	-5.0%	-1.8%
ELEC & NONELEC MACH										
Idaho	7,408	8,765	8,528	7,652	8,422	9,577	11,096	12,596	13,197	14,476
% Ch	9.2%	18.3%	-2.7%	-10.3%	10.1%	13.7%	15.9%	13.5%	4.8%	9.7%
National (Thousands)	3,757	4,087	4,054	3,864	3,777	3,853	3,869	3,768	3,591	3,457
% Ch	-5.3%	8.8%	-0.8%	-4.7%	-2.2%	2.0%	0.4%	-2.6%	-4.7%	-3.7%
OTHER DURABLES										
Idaho	1,467	1,803	1,941	1,871	2,226	3,121	3,057	3,185	3,186	3,115
% Ch	4.4%	22.9%	7.7%	-3.6%	19.0%	40.2%	-2.0%	4.2%	0.0%	-2.2%
National (Thousands)	4,371	4,649	4,672	4,631	4,669	4,747	4,755	4,632	4,426	4,299
% Ch	-2.2%	6.4%	0.5%	-0.9%	0.8%	1.7%	0.2%	-2.6%	-4.4%	-2.9%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

EMPLOYMENT

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
TOTAL NONFARM EMPLOYMENT										
Idaho	436,737	461,168	477,391	492,593	508,793	523,580	532,212	543,728	555,390	569,048
% Ch	4.8%	5.6%	3.5%	3.2%	3.3%	2.9%	1.6%	2.2%	2.1%	2.5%
National (Thousands)	110,692	114,131	117,187	119,590	122,677	125,771	127,374	128,945	130,497	132,209
% Ch	1.9%	3.1%	2.7%	2.1%	2.6%	2.5%	1.3%	1.2%	1.2%	1.3%
GOODS PRODUCING SECTOR										
Idaho	96,080	103,288	103,398	106,560	109,907	110,830	109,135	110,430	111,440	112,467
% Ch	6.2%	7.5%	0.1%	3.1%	3.1%	0.8%	-1.5%	1.2%	0.9%	0.9%
National (Thousands)	23,351	23,904	24,275	24,492	24,935	25,231	24,510	24,088	23,891	23,880
% Ch	0.5%	2.4%	1.6%	0.9%	1.8%	1.2%	-2.9%	-1.7%	-0.8%	0.0%
MANUFACTURING										
Idaho	69,251	71,887	71,041	72,903	74,610	76,313	76,574	77,993	79,511	81,087
% Ch	5.3%	3.8%	-1.2%	2.6%	2.3%	2.3%	0.3%	1.9%	1.9%	2.0%
National (Thousands)	18,076	18,322	18,526	18,496	18,658	18,710	18,075	17,734	17,499	17,344
% Ch	-0.2%	1.4%	1.1%	-0.2%	0.9%	0.3%	-3.4%	-1.9%	-1.3%	-0.9%
DURABLE MANUFACTURING										
Idaho	37,497	40,636	42,131	44,070	45,537	47,328	47,586	48,620	49,660	50,814
% Ch	7.8%	8.4%	3.7%	4.6%	3.3%	3.9%	0.5%	2.2%	2.1%	2.3%
National (Thousands)	10,222	10,447	10,684	10,789	10,987	11,095	10,692	10,428	10,245	10,156
% Ch	-0.6%	2.2%	2.3%	1.0%	1.8%	1.0%	-3.6%	-2.5%	-1.8%	-0.9%
LUMBER & WOOD PRODUCTS										
Idaho	14,409	15,521	14,795	14,445	14,241	13,519	12,755	12,762	12,841	12,951
% Ch	2.9%	7.7%	-4.7%	-2.4%	-1.4%	-5.1%	-5.6%	0.1%	0.6%	0.9%
National (Thousands)	709	754	770	778	793	800	762	755	763	767
% Ch	4.3%	6.3%	2.0%	1.1%	1.9%	0.9%	-4.8%	-0.9%	1.1%	0.5%
STONE, CLAY, GLASS, etc.										
Idaho	3,364	3,853	4,220	4,340	4,415	4,338	4,160	4,123	4,148	4,184
% Ch	5.2%	14.5%	9.5%	2.8%	1.7%	-1.7%	-4.1%	-0.9%	0.6%	0.9%
National (Thousands)	1,856	1,920	1,977	1,992	2,028	2,050	1,980	1,942	1,927	1,927
% Ch	0.7%	3.4%	3.0%	0.8%	1.8%	1.1%	-3.4%	-1.9%	-0.8%	0.0%
ELEC & NONELEC MACH										
Idaho	16,271	17,114	18,192	20,266	21,584	23,591	24,386	25,262	26,118	26,933
% Ch	12.4%	5.2%	6.3%	11.4%	6.5%	9.3%	3.4%	3.6%	3.4%	3.1%
National (Thousands)	3,456	3,560	3,692	3,775	3,852	3,891	3,732	3,592	3,508	3,480
% Ch	0.0%	3.0%	3.7%	2.3%	2.0%	1.0%	-4.1%	-3.7%	-2.3%	-0.8%
OTHER DURABLES										
Idaho	3,454	4,147	4,923	5,019	5,297	5,880	6,284	6,474	6,552	6,745
% Ch	10.9%	20.1%	18.7%	1.9%	5.6%	11.0%	6.9%	3.0%	1.2%	2.9%
National (Thousands)	4,200	4,214	4,246	4,243	4,315	4,354	4,219	4,139	4,046	3,982
% Ch	-2.3%	0.3%	0.8%	-0.1%	1.7%	0.9%	-3.1%	-1.9%	-2.2%	-1.6%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

EMPLOYMENT

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
MANUFACTURING (continued)										
NONDURABLE MANUFACTURING										
Idaho	24,825	27,036	27,901	26,579	27,225	28,579	28,396	28,824	30,075	30,958
% Ch	-0.1%	8.9%	3.2%	-4.7%	2.4%	5.0%	-0.6%	1.5%	4.3%	2.9%
National (Thousands)	7,727	7,898	7,791	7,753	7,845	7,952	7,997	7,968	7,837	7,827
% Ch	-0.5%	2.2%	-1.3%	-0.5%	1.2%	1.4%	0.6%	-0.4%	-1.6%	-0.1%
FOOD PROCESSING										
Idaho	16,268	16,622	16,580	15,412	16,099	17,336	16,984	16,805	17,487	17,818
% Ch	-1.9%	2.2%	-0.3%	-7.0%	4.5%	7.7%	-2.0%	-1.1%	4.1%	1.9%
National (Thousands)	1,615	1,612	1,601	1,607	1,617	1,626	1,645	1,661	1,667	1,662
% Ch	-1.3%	-0.2%	-0.7%	0.4%	0.6%	0.6%	1.1%	1.0%	0.4%	-0.3%
CANNED, CURED, & FROZEN										
Idaho	10,388	10,741	10,942	9,867	10,612	11,331	11,225	11,065	11,747	12,094
% Ch	0.5%	3.4%	1.9%	-9.8%	7.5%	6.8%	-0.9%	-1.4%	6.2%	3.0%
OTHER FOOD PROCESSING										
Idaho	5,880	5,881	5,638	5,544	5,487	6,004	5,759	5,740	5,740	5,725
% Ch	-5.7%	0.0%	-4.1%	-1.7%	-1.0%	9.4%	-4.1%	-0.3%	0.0%	-0.3%
PAPER, PRINTING, PUBLISH.										
Idaho	5,007	5,474	5,984	5,946	6,067	6,373	6,592	6,976	7,179	7,172
% Ch	6.5%	9.3%	9.3%	-0.6%	2.0%	5.0%	3.4%	5.8%	2.9%	-0.1%
National (Thousands)	1,952	2,049	2,097	2,123	2,177	2,232	2,251	2,266	2,223	2,197
% Ch	1.3%	5.0%	2.3%	1.2%	2.5%	2.5%	0.9%	0.6%	-1.9%	-1.2%
CHEMICALS										
Idaho	2,151	3,500	3,573	3,335	3,273	3,536	3,523	3,554	3,903	4,277
% Ch	-6.6%	62.7%	2.1%	-6.6%	-1.9%	8.0%	-0.3%	0.9%	9.8%	9.6%
National (Thousands)	1,043	1,049	1,044	1,021	1,025	1,057	1,074	1,086	1,076	1,084
% Ch	-3.0%	0.6%	-0.5%	-2.2%	0.4%	3.2%	1.6%	1.1%	-0.9%	0.8%
OTHER NONDURABLES										
Idaho	1,399	1,440	1,765	1,886	1,786	1,335	1,297	1,488	1,505	1,690
% Ch	9.1%	2.9%	22.6%	6.9%	-5.3%	-25.3%	-2.8%	14.8%	1.1%	12.3%
National (Thousands)	3,117	3,188	3,049	3,002	3,026	3,037	3,027	2,955	2,871	2,883
% Ch	-0.4%	2.3%	-4.3%	-1.6%	0.8%	0.3%	-0.3%	-2.4%	-2.9%	0.4%
MINING										
Idaho	4,047	4,177	3,852	2,893	2,568	3,280	3,673	3,873	3,086	2,605
%Ch	5.9%	3.2%	-7.8%	-24.9%	-11.2%	27.7%	12.0%	5.5%	-20.3%	-15.6%
National (Thousands)	952	965	927	777	717	712	691	709	689	634
%Ch	-15.6%	1.4%	-4.0%	-16.1%	-7.7%	-0.7%	-3.0%	2.6%	-2.8%	-8.0%
METAL MINING										
Idaho	2,636	2,803	2,599	1,919	1,595	2,140	2,612	2,754	1,994	1,453
%Ch	4.0%	6.3%	-7.3%	-26.2%	-16.9%	34.2%	22.0%	5.5%	-27.6%	-27.1%
OTHER MINING										
Idaho	1,411	1,373	1,253	973	973	1,140	1,061	1,119	1,092	1,152
% Ch	9.6%	-2.7%	-8.8%	-22.3%	0.0%	17.2%	-6.9%	5.4%	-2.4%	5.5%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

EMPLOYMENT

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
MANUFACTURING (continued)										
NONDURABLE MANUFACTURING										
Idaho	31,753	31,251	28,910	28,833	29,073	28,985	28,988	29,373	29,851	30,274
% Ch	2.6%	-1.6%	-7.5%	-0.3%	0.8%	-0.3%	0.0%	1.3%	1.6%	1.4%
National (Thousands)	7,854	7,875	7,842	7,707	7,671	7,616	7,383	7,307	7,254	7,189
% Ch	0.4%	0.3%	-0.4%	-1.7%	-0.5%	-0.7%	-3.1%	-1.0%	-0.7%	-0.9%
FOOD PROCESSING										
Idaho	18,563	18,019	17,503	17,462	17,656	17,334	17,307	17,516	17,809	18,088
% Ch	4.2%	-2.9%	-2.9%	-0.2%	1.1%	-1.8%	-0.2%	1.2%	1.7%	1.6%
National (Thousands)	1,680	1,679	1,693	1,693	1,691	1,700	1,644	1,622	1,608	1,590
% Ch	1.1%	-0.1%	0.8%	0.0%	-0.1%	0.6%	-3.3%	-1.3%	-0.9%	-1.1%
CANNED, CURED, & FROZEN										
Idaho	12,531	11,705	10,862	10,678	10,550	10,057	9,940	10,010	10,162	10,300
% Ch	3.6%	-6.6%	-7.2%	-1.7%	-1.2%	-4.7%	-1.2%	0.7%	1.5%	1.4%
OTHER FOOD PROCESSING										
Idaho	6,033	6,314	6,641	6,784	7,106	7,277	7,367	7,506	7,647	7,788
% Ch	5.4%	4.7%	5.2%	2.2%	4.8%	2.4%	1.2%	1.9%	1.9%	1.8%
PAPER, PRINTING, PUBLISH.										
Idaho	7,145	7,090	7,119	7,192	7,217	7,415	7,446	7,598	7,746	7,852
% Ch	-0.4%	-0.8%	0.4%	1.0%	0.3%	2.7%	0.4%	2.0%	2.0%	1.4%
National (Thousands)	2,209	2,230	2,238	2,224	2,238	2,250	2,225	2,207	2,201	2,193
% Ch	0.5%	0.9%	0.4%	-0.7%	0.6%	0.5%	-1.1%	-0.8%	-0.3%	-0.4%
CHEMICALS										
Idaho	4,250	4,134	2,344	2,332	2,284	2,386	2,356	2,323	2,308	2,285
% Ch	-0.6%	-2.7%	-43.3%	-0.5%	-2.1%	4.5%	-1.3%	-1.4%	-0.6%	-1.0%
National (Thousands)	1,081	1,057	1,038	1,034	1,034	1,035	1,016	1,006	1,003	996
% Ch	-0.3%	-2.2%	-1.8%	-0.4%	0.0%	0.1%	-1.9%	-1.0%	-0.3%	-0.6%
OTHER NONDURABLES										
Idaho	1,795	2,008	1,943	1,847	1,916	1,850	1,879	1,937	1,989	2,048
% Ch	6.2%	11.9%	-3.2%	-4.9%	3.7%	-3.5%	1.6%	3.1%	2.7%	3.0%
National (Thousands)	2,885	2,910	2,872	2,757	2,708	2,631	2,499	2,472	2,443	2,409
% Ch	0.1%	0.9%	-1.3%	-4.0%	-1.8%	-2.9%	-5.0%	-1.1%	-1.2%	-1.4%
MINING										
Idaho	2,199	2,419	2,726	3,062	3,098	2,908	2,586	2,551	2,600	2,628
%Ch	-15.6%	10.0%	12.7%	12.3%	1.2%	-6.1%	-11.1%	-1.3%	1.9%	1.1%
National (Thousands)	609	600	581	580	592	575	528	514	503	494
%Ch	-3.9%	-1.5%	-3.3%	-0.2%	2.0%	-2.8%	-8.2%	-2.5%	-2.2%	-1.9%
METAL MINING										
Idaho	1,007	1,211	1,593	1,847	1,842	1,710	1,513	1,534	1,573	1,619
%Ch	-30.7%	20.2%	31.5%	16.0%	-0.3%	-7.2%	-11.5%	1.3%	2.6%	2.9%
OTHER MINING										
Idaho	1,192	1,208	1,133	1,215	1,256	1,198	1,072	1,018	1,027	1,009
% Ch	3.5%	1.4%	-6.2%	7.2%	3.4%	-4.6%	-10.5%	-5.1%	0.9%	-1.8%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

EMPLOYMENT

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
GOODS PRODUCING (continued)										
CONSTRUCTION										
Idaho	13,132	14,547	15,067	14,612	13,721	14,205	16,067	18,716	20,216	22,139
% Ch	-5.0%	10.8%	3.6%	-3.0%	-6.1%	3.5%	13.1%	16.5%	8.0%	9.5%
National (Thousands)	3,943	4,378	4,667	4,810	4,958	5,096	5,171	5,125	4,655	4,492
% Ch	0.9%	11.0%	6.6%	3.1%	3.1%	2.8%	1.5%	-0.9%	-9.2%	-3.5%
SERVICE PRODUCING SECTOR										
Idaho	250,411	256,880	262,330	258,663	263,104	272,645	285,705	299,855	311,597	326,111
% Ch	1.5%	2.6%	2.1%	-1.4%	1.7%	3.6%	4.8%	5.0%	3.9%	4.7%
National (Thousands)	66,816	69,686	72,544	74,809	77,280	80,079	82,630	84,495	84,506	85,359
% Ch	1.6%	4.3%	4.1%	3.1%	3.3%	3.6%	3.2%	2.3%	0.0%	1.0%
FINANCE, INSUR, REAL ESTATE										
Idaho	23,014	23,458	23,671	18,878	19,125	19,270	19,291	19,838	20,627	21,458
% Ch	1.6%	1.9%	0.9%	-20.2%	1.3%	0.8%	0.1%	2.8%	4.0%	4.0%
National (Thousands)	5,466	5,684	5,948	6,272	6,533	6,629	6,669	6,709	6,647	6,602
% Ch	2.4%	4.0%	4.7%	5.4%	4.2%	1.5%	0.6%	0.6%	-0.9%	-0.7%
TRANS, COMMUN, PUBLIC UTIL										
Idaho	19,110	19,068	19,281	18,282	17,920	18,487	19,257	19,788	20,031	20,342
% Ch	0.4%	-0.2%	1.1%	-5.2%	-2.0%	3.2%	4.2%	2.8%	1.2%	1.6%
National (Thousands)	4,952	5,156	5,233	5,247	5,362	5,512	5,614	5,776	5,755	5,718
% Ch	-2.6%	4.1%	1.5%	0.3%	2.2%	2.8%	1.9%	2.9%	-0.4%	-0.6%
TRADE										
Idaho	79,362	82,982	84,148	83,886	84,892	87,339	93,122	97,089	100,986	105,894
% Ch	1.8%	4.6%	1.4%	-0.3%	1.2%	2.9%	6.6%	4.3%	4.0%	4.9%
National (Thousands)	20,868	22,078	23,041	23,641	24,269	25,055	25,664	25,774	25,363	25,352
% Ch	2.0%	5.8%	4.4%	2.6%	2.7%	3.2%	2.4%	0.4%	-1.6%	0.0%
SERVICES										
Idaho	61,032	62,474	65,060	66,655	67,956	71,913	76,161	81,750	85,621	90,395
% Ch	3.0%	2.4%	4.1%	2.5%	2.0%	5.8%	5.9%	7.3%	4.7%	5.6%
National (Thousands)	19,662	20,745	21,927	22,957	24,109	25,500	26,904	27,930	28,335	29,047
% Ch	3.4%	5.5%	5.7%	4.7%	5.0%	5.8%	5.5%	3.8%	1.5%	2.5%
STATE & LOCAL GOVERNMENT										
Idaho	55,942	57,146	58,380	59,135	61,123	63,156	65,184	68,334	71,423	74,562
% Ch	0.3%	2.2%	2.2%	1.3%	3.4%	3.3%	3.2%	4.8%	4.5%	4.4%
National (Thousands)	13,094	13,216	13,519	13,792	14,065	14,411	14,791	15,220	15,439	15,672
% Ch	0.0%	0.9%	2.3%	2.0%	2.0%	2.5%	2.6%	2.9%	1.4%	1.5%
Idaho Education	30,323	31,439	32,317	32,845	33,422	34,572	35,603	37,263	38,840	40,455
% Ch	-0.7%	3.7%	2.8%	1.6%	1.8%	3.4%	3.0%	4.7%	4.2%	4.2%
Idaho Other	25,619	25,707	26,064	26,290	27,701	28,583	29,581	31,071	32,583	34,108
% Ch	1.5%	0.3%	1.4%	0.9%	5.4%	3.2%	3.5%	5.0%	4.9%	4.7%
FEDERAL GOVERNMENT										
Idaho	11,952	11,751	11,790	11,827	12,088	12,479	12,690	13,057	12,909	13,460
% Ch	-0.8%	-1.7%	0.3%	0.3%	2.2%	3.2%	1.7%	2.9%	-1.1%	4.3%
National (Thousands)	2,774	2,807	2,875	2,899	2,943	2,972	2,989	3,086	2,967	2,968
% Ch	1.3%	1.2%	2.4%	0.8%	1.5%	1.0%	0.6%	3.3%	-3.9%	0.0%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

EMPLOYMENT

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
GOODS PRODUCING (continued)										
CONSTRUCTION										
Idaho	24,631	28,983	29,631	30,595	32,199	31,608	29,975	29,885	29,329	28,752
% Ch	11.3%	17.7%	2.2%	3.3%	5.2%	-1.8%	-5.2%	-0.3%	-1.9%	-2.0%
National (Thousands)	4,665	4,982	5,169	5,416	5,685	5,946	5,907	5,839	5,888	6,042
% Ch	3.9%	6.8%	3.8%	4.8%	5.0%	4.6%	-0.7%	-1.1%	0.8%	2.6%
SERVICE PRODUCING SECTOR										
Idaho	340,657	357,879	373,993	386,033	398,886	412,750	423,077	433,298	443,950	456,581
% Ch	4.5%	5.1%	4.5%	3.2%	3.3%	3.5%	2.5%	2.4%	2.5%	2.8%
National (Thousands)	87,341	90,227	92,912	95,098	97,742	100,540	102,864	104,858	106,606	108,329
% Ch	2.3%	3.3%	3.0%	2.4%	2.8%	2.9%	2.3%	1.9%	1.7%	1.6%
FINANCE, INSUR, REAL ESTATE										
Idaho	22,760	24,108	24,979	25,183	25,400	26,479	26,887	27,238	27,661	28,162
% Ch	6.1%	5.9%	3.6%	0.8%	0.9%	4.2%	1.5%	1.3%	1.6%	1.8%
National (Thousands)	6,757	6,894	6,807	6,911	7,090	7,333	7,409	7,488	7,627	7,738
% Ch	2.3%	2.0%	-1.3%	1.5%	2.6%	3.4%	1.0%	1.1%	1.9%	1.4%
TRANS, COMMUN, PUBLIC UTIL										
Idaho	20,879	21,876	22,702	23,402	24,242	25,225	25,439	25,771	26,163	26,625
% Ch	2.6%	4.8%	3.8%	3.1%	3.6%	4.1%	0.9%	1.3%	1.5%	1.8%
National (Thousands)	5,811	5,984	6,135	6,254	6,395	6,549	6,610	6,638	6,691	6,727
% Ch	1.6%	3.0%	2.5%	2.0%	2.2%	2.4%	0.9%	0.4%	0.8%	0.5%
TRADE										
Idaho	109,371	116,689	121,404	125,185	129,006	132,632	136,014	139,789	144,275	148,965
% Ch	3.3%	6.7%	4.0%	3.1%	3.1%	2.8%	2.5%	2.8%	3.2%	3.3%
National (Thousands)	25,753	26,664	27,565	28,076	28,656	29,306	29,956	30,431	30,721	30,968
% Ch	1.6%	3.5%	3.4%	1.9%	2.1%	2.3%	2.2%	1.6%	1.0%	0.8%
SERVICES										
Idaho	97,221	102,834	110,116	115,997	122,652	128,514	133,260	137,885	143,294	149,273
% Ch	7.6%	5.8%	7.1%	5.3%	5.7%	4.8%	3.7%	3.5%	3.9%	4.2%
National (Thousands)	30,193	31,575	33,112	34,454	36,039	37,510	38,691	39,652	40,736	41,760
% Ch	3.9%	4.6%	4.9%	4.1%	4.6%	4.1%	3.1%	2.5%	2.7%	2.5%
STATE & LOCAL GOVERNMENT										
Idaho	76,844	78,878	81,679	83,369	84,545	86,946	88,441	89,642	90,544	91,591
% Ch	3.1%	2.6%	3.6%	2.1%	1.4%	2.8%	1.7%	1.4%	1.0%	1.2%
National (Thousands)	15,913	16,241	16,472	16,648	16,863	17,163	17,525	17,878	18,211	18,532
% Ch	1.5%	2.1%	1.4%	1.1%	1.3%	1.8%	2.1%	2.0%	1.9%	1.8%
Idaho Education	42,028	42,727	44,844	45,837	46,029	47,828	49,095	50,102	50,801	51,606
% Ch	3.9%	1.7%	5.0%	2.2%	0.4%	3.9%	2.6%	2.1%	1.4%	1.6%
Idaho Other	34,816	36,151	36,834	37,532	38,517	39,118	39,347	39,540	39,743	39,984
% Ch	2.1%	3.8%	1.9%	1.9%	2.6%	1.6%	0.6%	0.5%	0.5%	0.6%
FEDERAL GOVERNMENT										
Idaho	13,581	13,494	13,112	12,897	13,040	12,954	13,035	12,974	12,013	11,966
% Ch	0.9%	-0.6%	-2.8%	-1.6%	1.1%	-0.7%	0.6%	-0.5%	-7.4%	-0.4%
National (Thousands)	2,914	2,869	2,821	2,756	2,699	2,679	2,672	2,769	2,619	2,604
% Ch	-1.8%	-1.5%	-1.7%	-2.3%	-2.1%	-0.7%	-0.2%	3.6%	-5.4%	-0.6%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

MISCELLANEOUS

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS										
Idaho (Millions)	351.4	364.0	418.5	448.0	423.0	456.2	524.2	553.0	590.9	667.9
% Ch	8.1%	3.6%	15.0%	7.1%	-5.6%	7.8%	14.9%	5.5%	6.8%	13.0%
National (Billions)	87.0	94.4	100.3	107.6	102.9	111.2	118.2	132.4	153.4	172.2
% Ch	3.8%	8.4%	6.3%	7.3%	-4.3%	8.1%	6.3%	12.0%	15.9%	12.3%
SELECTED CHAIN-WEIGHTED DEFL.										
Gross Domestic Product	73.2	75.9	78.5	80.6	83.1	86.1	89.7	93.6	97.3	100.0
% Ch	4.3%	3.8%	3.4%	2.6%	3.1%	3.7%	4.2%	4.4%	3.9%	2.8%
Consumption Expenditures	70.5	73.1	75.8	78.0	81.0	84.3	88.4	92.9	96.8	100.0
% Ch	4.5%	3.8%	3.7%	2.8%	3.8%	4.2%	4.9%	5.1%	4.2%	3.3%
Durable Goods	85.5	86.7	87.8	88.9	91.6	93.3	95.3	96.6	98.5	100.0
% Ch	2.0%	1.4%	1.2%	1.3%	3.0%	1.8%	2.2%	1.4%	2.0%	1.5%
Nondurable Goods	74.6	76.7	78.7	78.7	81.8	84.8	89.3	94.6	98.1	100.0
% Ch	2.5%	2.8%	2.6%	0.0%	3.9%	3.7%	5.2%	6.0%	3.6%	2.0%
Services	64.9	68.2	71.6	75.3	78.2	82.2	86.6	91.2	95.8	100.0
% Ch	6.7%	5.1%	5.1%	5.1%	3.9%	5.0%	5.4%	5.4%	5.0%	4.4%
Cons. Price Index (1982-84)	99.6	103.9	107.6	109.7	113.7	118.4	124.0	130.8	136.3	140.4
% Ch	3.2%	4.4%	3.5%	1.9%	3.7%	4.1%	4.8%	5.4%	4.2%	3.0%
SELECTED INTEREST RATES										
Federal Funds	9.09%	10.23%	8.10%	6.81%	6.66%	7.57%	9.22%	8.10%	5.69%	3.52%
Prime	10.79%	12.04%	9.93%	8.33%	8.20%	9.32%	10.87%	10.01%	8.46%	6.25%
New Home Mortgage	12.66%	12.37%	11.58%	10.26%	9.31%	9.18%	10.11%	10.01%	9.30%	8.25%
U.S. Govt. 3-Month Bills	8.61%	9.52%	7.48%	5.98%	5.78%	6.67%	8.11%	7.49%	5.38%	3.43%
SELECTED US PRODUCTION INDICES										
Lumber & Wood Products	83.3	89.8	92.0	99.6	104.9	105.1	104.3	101.6	94.5	100.0
% Ch	18.5%	7.8%	2.4%	8.3%	5.3%	0.2%	-0.8%	-2.6%	-6.9%	5.8%
Office & Computer Equip.	29.5	42.0	50.3	53.7	62.2	74.6	83.0	81.4	82.3	100.0
% Ch	38.5%	42.2%	19.8%	6.7%	15.9%	19.9%	11.2%	-1.9%	1.1%	21.4%
Electrical Machinery	55.9	66.7	68.4	71.0	75.6	82.5	85.8	87.7	89.6	100.0
% Ch	8.2%	19.3%	2.6%	3.7%	6.6%	9.1%	3.9%	2.3%	2.1%	11.6%
Electronic Components	29.8	40.6	41.2	44.2	51.9	58.5	65.2	72.1	80.9	100.0
% Ch	16.4%	36.2%	1.6%	7.3%	17.4%	12.7%	11.5%	10.4%	12.2%	23.7%
Food	84.6	86.4	88.9	91.2	93.5	94.9	95.9	97.0	98.4	100.0
% Ch	2.6%	2.1%	2.9%	2.6%	2.6%	1.4%	1.1%	1.2%	1.4%	1.6%
Paper	81.0	85.0	83.8	88.3	90.9	93.8	95.4	96.0	96.8	100.0
% Ch	9.0%	4.9%	-1.4%	5.3%	3.0%	3.1%	1.7%	0.6%	0.8%	3.3%
Agricultural Chemicals	73.6	85.7	80.7	74.8	84.6	90.0	97.2	100.4	97.6	100.0
% Ch	-1.4%	16.5%	-5.8%	-7.4%	13.1%	6.4%	8.1%	3.3%	-2.8%	2.5%
Metals & Minerals Mining	67.9	75.2	76.3	77.1	80.6	88.4	93.8	98.4	95.2	100.0
% Ch	2.1%	10.8%	1.4%	1.0%	4.6%	9.7%	6.2%	4.9%	-3.3%	5.1%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JANUARY 1999

MISCELLANEOUS

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS										
Idaho (Millions)	723.9	766.2	835.6	867.3	899.8	934.8	1,035.4	1,092.5	1,147.0	1,207.4
% Ch	8.4%	5.8%	9.1%	3.8%	3.7%	3.9%	10.8%	5.5%	5.0%	5.3%
National (Billions)	185.8	199.2	212.0	218.9	225.0	232.1	256.1	268.2	279.4	291.6
% Ch	7.9%	7.2%	6.4%	3.3%	2.8%	3.2%	10.3%	4.7%	4.2%	4.3%
SELECTED CHAIN-WEIGHTED DEFL.										
Gross Domestic Product	102.6	105.1	107.5	109.5	111.6	112.7	114.5	116.9	119.4	122.1
% Ch	2.6%	2.4%	2.3%	1.9%	1.9%	1.0%	1.6%	2.0%	2.1%	2.3%
Consumption Expenditures	102.7	105.1	107.6	109.7	111.8	112.8	115.0	117.7	120.7	123.8
% Ch	2.7%	2.4%	2.3%	2.0%	1.9%	0.9%	2.0%	2.4%	2.5%	2.6%
Durable Goods	101.2	103.3	103.7	102.7	100.7	98.5	97.7	97.6	97.8	98.0
% Ch	1.2%	2.0%	0.4%	-0.9%	-2.0%	-2.1%	-0.8%	-0.2%	0.2%	0.2%
Nondurable Goods	101.5	102.8	104.0	106.1	107.7	107.7	109.8	112.6	115.5	118.6
% Ch	1.5%	1.3%	1.2%	2.0%	1.5%	0.0%	1.9%	2.6%	2.6%	2.7%
Services	103.6	106.8	110.4	113.3	116.6	118.8	121.9	125.3	129.0	132.9
% Ch	3.6%	3.1%	3.3%	2.7%	2.9%	1.9%	2.6%	2.8%	3.0%	3.0%
Cons. Price Index (1982-84)	144.6	148.3	152.5	157.0	160.6	163.2	167.2	171.7	176.4	181.3
% Ch	3.0%	2.6%	2.8%	2.9%	2.3%	1.6%	2.4%	2.7%	2.8%	2.8%
SELECTED INTEREST RATES										
Federal Funds	3.02%	4.20%	5.84%	5.30%	5.46%	5.41%	4.37%	4.06%	4.50%	4.50%
Prime	6.00%	7.14%	8.83%	8.27%	8.44%	8.40%	7.37%	7.06%	7.50%	7.50%
New Home Mortgage	7.24%	7.47%	7.85%	7.77%	7.73%	7.15%	6.67%	6.34%	6.49%	6.57%
U.S. Govt. 3-Month Bills	3.00%	4.25%	5.49%	5.01%	5.06%	4.81%	3.72%	3.58%	3.96%	4.02%
SELECTED US PRODUCTION INDICES										
Lumber & Wood Products	100.8	105.9	107.8	111.8	114.9	116.8	114.9	118.0	121.2	124.6
% Ch	0.8%	5.1%	1.8%	3.7%	2.8%	1.6%	-1.6%	2.7%	2.7%	2.8%
Office & Computer Equip.	120.5	149.1	208.1	281.6	382.0	556.8	753.5	928.7	1,088.2	1,283.3
% Ch	20.5%	23.7%	39.6%	35.3%	35.6%	45.8%	35.3%	23.3%	17.2%	17.9%
Electrical Machinery	110.7	133.2	170.9	199.3	231.4	259.1	275.4	297.2	323.2	360.1
% Ch	10.7%	20.3%	28.3%	16.6%	16.1%	12.0%	6.3%	7.9%	8.8%	11.4%
Electronic Components	117.9	160.3	262.8	346.8	471.6	584.3	665.3	767.3	889.3	1,054.9
% Ch	17.9%	36.0%	64.0%	32.0%	36.0%	23.9%	13.9%	15.3%	15.9%	18.6%
Food	102.0	103.7	106.8	107.3	109.5	111.4	112.1	114.0	115.4	116.7
% Ch	2.0%	1.7%	2.9%	0.5%	2.1%	1.7%	0.7%	1.6%	1.2%	1.2%
Paper	104.0	108.4	109.7	107.9	112.9	112.9	113.5	116.9	119.9	122.8
% Ch	4.0%	4.2%	1.2%	-1.6%	4.6%	0.0%	0.5%	3.0%	2.5%	2.4%
Agricultural Chemicals	100.8	100.5	100.3	102.8	103.7	106.3	103.8	106.3	109.5	111.7
% Ch	0.8%	-0.3%	-0.2%	2.5%	0.9%	2.5%	-2.4%	2.4%	3.0%	2.0%
Metals & Minerals Mining	100.8	105.1	108.0	110.0	113.8	115.3	103.8	108.0	114.0	121.1
% Ch	0.8%	4.3%	2.8%	1.8%	3.4%	1.4%	-10.0%	4.0%	5.5%	6.3%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JANUARY 1999

DEMOGRAPHICS

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,176.8	1,183.3	1,190.0	1,196.9	1,202.6	1,208.3	1,213.9	1,219.0	1,224.7	1,230.2	1,235.6	1,241.0
% Ch	2.4%	2.2%	2.3%	2.3%	1.9%	1.9%	1.9%	1.7%	1.9%	1.8%	1.8%	1.8%
National (Millions)	264.8	265.5	266.1	266.7	267.3	267.9	268.5	269.1	269.7	270.3	270.9	271.5
% Ch	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
BIRTHS												
Idaho (Thousands)	18,245	18,397	18,558	18,726	18,558	18,590	18,618	18,629	18,686	18,738	18,784	18,833
% Ch	3.7%	3.4%	3.5%	3.7%	-3.5%	0.7%	0.6%	0.2%	1.2%	1.1%	1.0%	1.0%
National (Thousands)	3,919	3,913	3,908	3,903	3,898	3,894	3,890	3,887	3,884	3,881	3,879	3,877
% Ch	-0.6%	-0.6%	-0.5%	-0.5%	-0.5%	-0.5%	-0.4%	-0.3%	-0.3%	-0.3%	-0.2%	-0.2%
DEATHS												
Idaho (Thousands)	8,607	8,654	8,702	8,751	8,891	8,933	8,974	9,013	9,054	9,094	9,134	9,174
% Ch	2.3%	2.2%	2.2%	2.3%	6.5%	1.9%	1.8%	1.7%	1.8%	1.8%	1.7%	1.8%
National (Thousands)	2,308	2,315	2,321	2,328	2,335	2,342	2,348	2,355	2,362	2,369	2,375	2,382
% Ch	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.1%	1.1%	1.1%
NET MIGRATION												
Idaho (Thousands)	17,867	16,126	17,042	17,528	13,263	13,143	12,756	10,784	13,073	12,539	11,809	12,138
HOUSING												
HOUSING STARTS												
Idaho	9,679	10,104	8,952	8,130	8,344	8,234	9,339	9,556	10,886	9,762	9,215	9,090
% Ch	-15.0%	18.8%	-38.4%	-32.0%	11.0%	-5.2%	65.5%	9.6%	68.4%	-35.3%	-20.6%	-5.3%
National (Millions)	1,471	1,490	1,494	1,424	1,473	1,462	1,448	1,531	1,582	1,568	1,632	1,584
% Ch	16.0%	5.2%	1.3%	-17.5%	14.3%	-2.9%	-3.7%	24.8%	14.1%	-3.5%	17.4%	-11.2%
SINGLE UNITS												
Idaho	8,004	8,347	7,783	7,283	7,436	7,246	7,693	8,277	9,461	8,749	8,520	8,378
% Ch	1.5%	18.3%	-24.4%	-23.3%	8.7%	-9.8%	27.0%	34.0%	70.7%	-26.9%	-10.1%	-6.5%
National (Millions)	1,158	1,188	1,173	1,100	1,169	1,120	1,131	1,140	1,242	1,243	1,266	1,233
% Ch	5.5%	11.0%	-5.1%	-22.6%	27.5%	-15.7%	4.0%	3.2%	40.9%	0.3%	7.6%	-10.2%
MULTIPLE UNITS												
Idaho	1,675	1,757	1,169	847	908	988	1,646	1,278	1,425	1,013	695	713
% Ch	-60.1%	21.2%	-80.4%	-72.5%	32.3%	40.0%	670.6%	-63.6%	54.2%	-74.4%	-77.9%	10.8%
National (Millions)	0.313	0.301	0.321	0.324	0.303	0.342	0.317	0.390	0.340	0.325	0.366	0.351
% Ch	68.5%	-14.5%	29.3%	3.4%	-23.2%	61.0%	-25.9%	129.9%	-42.7%	-16.5%	60.9%	-14.7%
HOUSING STOCK												
Idaho (Thousands)	383.1	385.3	387.3	389.0	390.8	392.6	394.6	396.7	399.1	401.3	403.3	405.3
% Ch	2.3%	2.4%	2.0%	1.8%	1.9%	1.8%	2.1%	2.1%	2.5%	2.2%	2.0%	2.0%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JANUARY 1999

DEMOGRAPHICS

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,246.6	1,252.3	1,257.9	1,263.7	1,269.5	1,275.3	1,281.2	1,287.1	1,292.9	1,298.8	1,304.7	1,310.9
% Ch	1.8%	1.8%	1.8%	1.9%	1.8%	1.8%	1.9%	1.9%	1.8%	1.8%	1.8%	1.9%
National (Millions)	272.0	272.6	273.2	273.8	274.4	274.9	275.5	276.1	276.6	277.2	277.8	278.4
% Ch	0.9%	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
BIRTHS												
Idaho (Thousands)	18.886	18.943	18.999	19.060	19.121	19.181	19.248	19.313	19.375	19.439	19.505	19.579
% Ch	1.1%	1.2%	1.2%	1.3%	1.3%	1.3%	1.4%	1.4%	1.3%	1.3%	1.4%	1.5%
National (Thousands)	3,876	3,874	3,873	3,873	3,872	3,872	3,872	3,873	3,874	3,875	3,877	3,879
% Ch	-0.1%	-0.2%	-0.1%	-0.1%	-0.1%	-0.1%	0.0%	0.1%	0.1%	0.1%	0.2%	0.2%
DEATHS												
Idaho (Thousands)	9.214	9.255	9.296	9.338	9.380	9.421	9.464	9.506	9.548	9.590	9.633	9.676
% Ch	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
National (Thousands)	2,389	2,396	2,402	2,409	2,415	2,421	2,427	2,433	2,438	2,443	2,449	2,454
% Ch	1.2%	1.1%	1.1%	1.0%	1.1%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%
NET MIGRATION												
Idaho (Thousands)	12.552	13.003	12.989	13.430	13.414	13.262	14.054	13.776	13.393	13.747	13.785	14.668
HOUSING												
HOUSING STARTS												
Idaho	9,202	9,324	9,457	9,585	9,670	9,729	9,777	9,803	9,813	9,821	9,853	9,892
% Ch	5.0%	5.4%	5.8%	5.5%	3.6%	2.4%	2.0%	1.1%	0.4%	0.3%	1.3%	1.6%
National (Millions)	1.538	1.500	1.491	1.479	1.466	1.477	1.481	1.477	1.473	1.470	1.466	1.467
% Ch	-11.1%	-9.7%	-2.3%	-3.1%	-3.5%	2.9%	1.2%	-1.1%	-1.2%	-0.7%	-1.2%	0.4%
SINGLE UNITS												
Idaho	8,449	8,520	8,594	8,644	8,680	8,700	8,722	8,735	8,744	8,763	8,810	8,867
% Ch	3.5%	3.4%	3.5%	2.4%	1.7%	0.9%	1.0%	0.6%	0.4%	0.9%	2.2%	2.6%
National (Millions)	1.200	1.170	1.157	1.142	1.128	1.128	1.125	1.115	1.108	1.104	1.100	1.100
% Ch	-10.2%	-9.7%	-4.4%	-5.1%	-4.6%	0.1%	-1.3%	-3.4%	-2.6%	-1.3%	-1.6%	0.1%
MULTIPLE UNITS												
Idaho	753	804	862	941	990	1,029	1,054	1,069	1,069	1,058	1,043	1,026
% Ch	24.5%	29.8%	32.7%	41.6%	22.8%	16.4%	10.4%	5.5%	0.2%	-4.1%	-5.6%	-6.5%
National (Millions)	0.338	0.330	0.334	0.338	0.338	0.348	0.356	0.362	0.365	0.366	0.366	0.367
% Ch	-14.2%	-9.6%	5.4%	4.1%	0.6%	12.9%	9.4%	6.3%	3.1%	1.3%	0.0%	1.4%
HOUSING STOCK												
Idaho (Thousands)	407.3	409.3	411.3	413.4	415.5	417.6	419.8	421.9	424.1	426.2	428.3	430.5
% Ch	2.0%	2.0%	2.0%	2.0%	2.1%	2.1%	2.1%	2.1%	2.0%	2.0%	2.0%	2.0%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JANUARY 1999

OUTPUT, INCOME, & WAGES

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	7,495.3	7,629.2	7,703.4	7,818.4	7,955.0	8,063.4	8,170.8	8,254.5	8,384.2	8,440.6	8,526.5	8,604.6
% Ch	5.7%	7.3%	3.9%	6.1%	7.2%	5.6%	5.4%	4.2%	6.4%	2.7%	4.1%	3.7%
1992 Chain-Weighted	6,882.0	6,983.9	7,020.0	7,093.1	7,166.7	7,236.5	7,311.2	7,364.6	7,464.7	7,498.6	7,559.5	7,601.3
% Ch	3.3%	6.1%	2.1%	4.2%	4.2%	4.0%	4.2%	3.0%	5.5%	1.8%	3.3%	2.2%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	22,926	23,428	23,612	23,753	24,225	24,563	24,905	25,029	25,469	25,847	26,054	26,358
% Ch	3.1%	9.1%	3.2%	2.4%	8.2%	5.7%	5.7%	2.0%	7.2%	6.1%	3.2%	4.7%
Idaho Nonfarm (Millions)	22,185	22,586	22,802	23,016	23,521	23,836	24,159	24,307	24,792	25,144	25,397	25,667
% Ch	3.7%	7.4%	3.9%	3.8%	9.1%	5.5%	5.5%	2.5%	8.2%	5.8%	4.1%	4.3%
National (Billions)	6,284	6,390	6,477	6,550	6,667	6,744	6,821	6,905	7,004	7,082	7,156	7,235
% Ch	6.6%	6.9%	5.5%	4.6%	7.3%	4.7%	4.7%	5.0%	5.9%	4.5%	4.2%	4.5%
PERSONAL INCOME - 1992 \$												
Idaho (Millions)	21,059	21,385	21,475	21,472	21,764	22,005	22,237	22,289	22,680	22,965	23,093	23,247
% Ch	0.9%	6.3%	1.7%	-0.1%	5.6%	4.5%	4.3%	0.9%	7.2%	5.1%	2.3%	2.7%
Idaho Nonfarm (Millions)	20,378	20,616	20,738	20,806	21,131	21,353	21,571	21,646	22,077	22,341	22,511	22,638
% Ch	1.4%	4.8%	2.4%	1.3%	6.4%	4.3%	4.1%	1.4%	8.2%	4.9%	3.1%	2.3%
National (Billions)	5,772	5,834	5,891	5,920	5,989	6,042	6,091	6,149	6,237	6,293	6,342	6,381
% Ch	4.3%	4.3%	4.0%	2.0%	4.7%	3.5%	3.3%	3.9%	5.9%	3.6%	3.2%	2.5%
PER CAPITA PERS INC - CURR \$												
Idaho	19,482	19,799	19,842	19,846	20,144	20,329	20,517	20,532	20,797	21,010	21,086	21,239
% Ch	0.7%	6.7%	0.9%	0.1%	6.1%	3.7%	3.7%	0.3%	5.2%	4.2%	1.5%	2.9%
National	23,728	24,072	24,343	24,561	24,942	25,172	25,404	25,660	25,970	26,201	26,417	26,652
% Ch	5.6%	5.9%	4.6%	3.6%	6.4%	3.7%	3.7%	4.1%	4.9%	3.6%	3.3%	3.6%
PER CAPITA PERS INC - 1992 \$												
Idaho	17,895	18,073	18,046	17,940	18,097	18,211	18,318	18,284	18,519	18,668	18,690	18,732
% Ch	-1.4%	4.0%	-0.6%	-2.3%	3.6%	2.5%	2.4%	-0.7%	5.2%	3.2%	0.5%	0.9%
National	21,795	21,978	22,142	22,201	22,408	22,552	22,684	22,851	23,128	23,281	23,415	23,508
% Ch	3.4%	3.4%	3.0%	1.1%	3.8%	2.6%	2.4%	3.0%	4.9%	2.7%	2.3%	1.6%
AVERAGE ANNUAL WAGE												
Idaho	23,919	24,186	24,155	24,159	24,516	24,713	24,974	24,986	25,333	25,644	25,877	26,099
% Ch	-2.4%	4.5%	-0.5%	0.1%	6.0%	3.3%	4.3%	0.2%	5.7%	5.0%	3.7%	3.5%
National	29,822	30,232	30,542	30,845	31,273	31,520	31,835	32,194	32,549	32,806	33,102	33,422
% Ch	2.8%	5.6%	4.2%	4.0%	5.7%	3.2%	4.1%	4.6%	4.5%	3.2%	3.7%	3.9%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JANUARY 1999

OUTPUT, INCOME, & WAGES

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	8,665.3	8,728.5	8,818.1	8,887.2	9,010.6	9,113.9	9,212.4	9,296.4	9,404.3	9,494.4	9,589.7	9,701.4
% Ch	2.9%	2.9%	4.2%	3.2%	5.7%	4.7%	4.4%	3.7%	4.7%	3.9%	4.1%	4.7%
1992 Chain-Weighted	7,619.1	7,639.1	7,680.7	7,704.7	7,767.8	7,819.0	7,865.0	7,897.2	7,943.0	7,976.0	8,012.8	8,063.3
% Ch	0.9%	1.1%	2.2%	1.3%	3.3%	2.7%	2.4%	1.6%	2.3%	1.7%	1.9%	2.5%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	26,626	26,906	27,231	27,533	27,917	28,306	28,641	28,975	29,379	29,754	30,124	30,516
% Ch	4.1%	4.3%	4.9%	4.5%	5.7%	5.7%	4.8%	4.8%	5.7%	5.2%	5.1%	5.3%
Idaho Nonfarm (Millions)	25,940	26,202	26,489	26,773	27,163	27,546	27,875	28,206	28,607	28,973	29,335	29,727
% Ch	4.3%	4.1%	4.5%	4.4%	6.0%	5.8%	4.9%	4.8%	5.8%	5.2%	5.1%	5.4%
National (Billions)	7,316	7,391	7,466	7,530	7,624	7,709	7,790	7,867	7,966	8,047	8,125	8,213
% Ch	4.5%	4.2%	4.2%	3.4%	5.1%	4.5%	4.2%	4.0%	5.1%	4.1%	4.0%	4.4%
PERSONAL INCOME - 1992 \$												
Idaho (Millions)	23,354	23,468	23,624	23,750	23,932	24,121	24,257	24,391	24,579	24,731	24,878	25,045
% Ch	1.9%	2.0%	2.7%	2.1%	3.1%	3.2%	2.3%	2.2%	3.1%	2.5%	2.4%	2.7%
Idaho Nonfarm (Millions)	22,753	22,853	22,980	23,094	23,285	23,473	23,609	23,743	23,933	24,082	24,226	24,397
% Ch	2.1%	1.8%	2.2%	2.0%	3.4%	3.3%	2.3%	2.3%	3.2%	2.5%	2.4%	2.9%
National (Billions)	6,417	6,447	6,478	6,495	6,536	6,570	6,598	6,623	6,665	6,689	6,711	6,741
% Ch	2.3%	1.8%	1.9%	1.1%	2.5%	2.1%	1.7%	1.5%	2.5%	1.5%	1.3%	1.8%
PER CAPITA PERS INC - CURR \$												
Idaho	21,359	21,486	21,648	21,787	21,990	22,196	22,354	22,511	22,723	22,908	23,088	23,279
% Ch	2.3%	2.4%	3.0%	2.6%	3.8%	3.8%	2.9%	2.8%	3.8%	3.3%	3.2%	3.3%
National	26,892	27,109	27,330	27,503	27,789	28,041	28,275	28,497	28,794	29,027	29,251	29,506
% Ch	3.7%	3.3%	3.3%	2.6%	4.2%	3.7%	3.4%	3.2%	4.2%	3.3%	3.1%	3.5%
PER CAPITA PERS INC - 1992 \$												
Idaho	18,735	18,740	18,780	18,793	18,851	18,914	18,933	18,950	19,010	19,041	19,067	19,105
% Ch	0.1%	0.1%	0.8%	0.3%	1.2%	1.3%	0.4%	0.4%	1.3%	0.6%	0.6%	0.8%
National	23,590	23,647	23,711	23,726	23,824	23,897	23,950	23,991	24,092	24,129	24,160	24,219
% Ch	1.4%	1.0%	1.1%	0.2%	1.7%	1.2%	0.9%	0.7%	1.7%	0.6%	0.5%	1.0%
AVERAGE ANNUAL WAGE												
Idaho	26,343	26,587	26,836	27,075	27,325	27,555	27,790	28,029	28,258	28,492	28,725	28,942
% Ch	3.8%	3.8%	3.8%	3.6%	3.7%	3.4%	3.4%	3.5%	3.3%	3.3%	3.3%	3.1%
National	33,812	34,163	34,503	34,781	35,112	35,416	35,713	35,991	36,304	36,583	36,862	37,142
% Ch	4.7%	4.2%	4.0%	3.3%	3.9%	3.5%	3.4%	3.1%	3.5%	3.1%	3.1%	3.1%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JANUARY 1999

PERSONAL INCOME -- CURR \$\$

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	12,079	12,334	12,418	12,510	12,817	13,017	13,273	13,359	13,673	13,949	14,119	14,304
% Ch	-0.3%	8.7%	2.8%	3.0%	10.2%	6.4%	8.1%	2.6%	9.7%	8.3%	5.0%	5.3%
National (Billions)	3,533	3,606	3,664	3,722	3,798	3,855	3,916	3,990	4,062	4,118	4,175	4,233
% Ch	4.6%	8.5%	6.6%	6.4%	8.5%	6.1%	6.4%	7.8%	7.4%	5.6%	5.7%	5.6%
FARM PROPRIETORS INCOME												
Idaho (Millions)	428	534	501	423	379	390	401	370	317	328	280	311
% Ch	-15.2%	142.3%	-22.5%	-49.2%	-35.6%	12.1%	11.8%	-27.5%	-46.1%	14.6%	-47.0%	51.6%
National (Billions)	35	41	43	37	36	38	36	31	27	28	24	27
% Ch	160.2%	92.6%	23.1%	-48.0%	-2.9%	16.8%	-15.5%	-44.0%	-42.3%	5.3%	-41.6%	53.6%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	2,484	2,506	2,530	2,557	2,622	2,701	2,734	2,759	2,827	2,855	2,892	2,925
% Ch	-1.6%	3.6%	3.9%	4.3%	10.6%	12.6%	5.0%	3.7%	10.2%	4.0%	5.3%	4.6%
National (Billions)	481	487	490	496	504	512	520	527	537	544	551	556
% Ch	6.2%	4.8%	2.7%	5.0%	6.3%	6.5%	6.5%	5.0%	8.0%	5.5%	5.0%	4.3%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	3,824	3,874	3,961	4,020	4,108	4,151	4,190	4,213	4,233	4,276	4,305	4,323
% Ch	13.1%	5.3%	9.3%	6.1%	9.0%	4.3%	3.8%	2.2%	1.9%	4.1%	2.7%	1.7%
National (Billions)	1,093	1,108	1,129	1,142	1,157	1,164	1,169	1,173	1,177	1,186	1,194	1,200
% Ch	13.1%	5.6%	7.9%	4.6%	5.5%	2.2%	2.0%	1.2%	1.4%	3.1%	2.7%	2.0%
OTHER LABOR INCOME												
Idaho (Millions)	1,327	1,336	1,318	1,308	1,324	1,328	1,338	1,328	1,357	1,379	1,386	1,393
% Ch	-11.5%	2.7%	-5.3%	-3.0%	5.0%	1.2%	3.0%	-3.0%	9.0%	6.6%	1.9%	2.0%
National (Billions)	388	388	386	386	390	392	394	397	403	406	408	411
% Ch	-7.5%	-0.4%	-1.2%	-0.3%	3.8%	1.9%	2.1%	3.5%	5.9%	2.9%	2.7%	2.2%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	3,723	3,802	3,839	3,893	3,964	3,978	3,997	4,024	4,117	4,141	4,164	4,202
% Ch	14.3%	8.8%	3.9%	5.7%	7.5%	1.4%	1.9%	2.7%	9.6%	2.4%	2.2%	3.7%
National (Billions)	1,055	1,065	1,072	1,080	1,100	1,107	1,114	1,121	1,139	1,146	1,152	1,161
% Ch	8.6%	4.2%	2.5%	2.9%	7.9%	2.3%	2.6%	2.4%	6.8%	2.4%	2.3%	3.0%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	1,141	1,166	1,178	1,190	1,226	1,247	1,273	1,280	1,315	1,339	1,353	1,364
% Ch	-0.7%	9.1%	4.2%	4.1%	12.7%	7.0%	8.6%	2.2%	11.4%	7.5%	4.2%	3.4%
National (Billions)	300	305	308	312	320	324	328	334	341	345	349	353
% Ch	2.3%	6.5%	5.2%	5.1%	9.5%	5.3%	5.6%	6.7%	9.1%	5.0%	5.1%	3.7%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	202	209	222	232	237	245	245	256	259	259	263	266
% Ch	33.3%	14.6%	27.3%	19.3%	8.9%	14.2%	0.0%	19.2%	4.8%	0.0%	5.5%	6.0%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JANUARY 1999

PERSONAL INCOME -- CURR \$\$

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	14,482	14,664	14,862	15,061	15,280	15,527	15,726	15,931	16,141	16,360	16,581	16,797
% Ch	5.1%	5.1%	5.5%	5.5%	5.9%	6.6%	5.2%	5.3%	5.4%	5.5%	5.5%	5.3%
National (Billions)	4,291	4,347	4,400	4,445	4,503	4,559	4,614	4,665	4,719	4,768	4,816	4,866
% Ch	5.7%	5.3%	5.0%	4.2%	5.3%	5.1%	4.9%	4.5%	4.7%	4.2%	4.1%	4.2%
FARM PROPRIETORS INCOME												
Idaho (Millions)	303	318	350	364	355	359	362	363	362	368	373	371
% Ch	-9.5%	21.0%	47.8%	16.9%	-9.3%	3.7%	3.4%	1.3%	-0.2%	6.2%	6.1%	-2.5%
National (Billions)	27	27	29	30	30	30	30	30	30	30	31	30
% Ch	-6.7%	9.6%	39.0%	8.7%	0.8%	-0.6%	-0.5%	-3.0%	4.2%	4.1%	4.1%	-7.6%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	2,926	2,935	2,967	2,996	3,064	3,114	3,156	3,190	3,239	3,274	3,311	3,358
% Ch	0.2%	1.2%	4.5%	4.0%	9.4%	6.6%	5.6%	4.4%	6.2%	4.3%	4.6%	5.9%
National (Billions)	557	558	564	569	581	590	598	604	613	619	625	634
% Ch	0.2%	1.1%	4.2%	3.7%	8.8%	6.2%	5.2%	4.2%	5.9%	4.1%	4.4%	5.5%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	4,322	4,324	4,317	4,314	4,317	4,338	4,360	4,386	4,419	4,456	4,488	4,522
% Ch	-0.1%	0.2%	-0.7%	-0.3%	0.3%	2.0%	2.1%	2.4%	3.0%	3.3%	2.9%	3.1%
National (Billions)	1,198	1,198	1,196	1,195	1,194	1,199	1,202	1,208	1,215	1,223	1,231	1,238
% Ch	-0.7%	0.0%	-0.6%	-0.5%	-0.1%	1.5%	1.3%	1.7%	2.5%	2.8%	2.4%	2.5%
OTHER LABOR INCOME												
Idaho (Millions)	1,417	1,435	1,454	1,473	1,498	1,526	1,549	1,574	1,598	1,624	1,649	1,669
% Ch	7.0%	5.2%	5.5%	5.3%	7.1%	7.5%	6.2%	6.7%	6.2%	6.6%	6.5%	4.9%
National (Billions)	418	424	429	433	439	446	452	458	465	470	476	481
% Ch	7.5%	5.3%	4.9%	3.9%	6.3%	5.9%	5.7%	5.8%	5.5%	5.1%	4.9%	3.8%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	4,293	4,356	4,422	4,481	4,577	4,630	4,685	4,743	4,850	4,918	4,985	5,077
% Ch	9.0%	6.0%	6.2%	5.4%	8.9%	4.7%	4.9%	5.1%	9.3%	5.7%	5.6%	7.6%
National (Billions)	1,184	1,199	1,215	1,228	1,253	1,265	1,277	1,290	1,317	1,332	1,348	1,370
% Ch	8.3%	5.2%	5.4%	4.6%	8.2%	3.8%	4.0%	4.2%	8.5%	4.8%	4.7%	6.7%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	1,386	1,397	1,417	1,436	1,460	1,477	1,492	1,512	1,534	1,553	1,575	1,596
% Ch	6.6%	3.2%	5.8%	5.5%	6.9%	4.6%	4.4%	5.3%	5.9%	5.1%	6.0%	5.3%
National (Billions)	359	362	367	371	377	380	383	388	393	397	401	405
% Ch	7.4%	3.4%	5.5%	4.4%	6.4%	3.2%	4.1%	4.7%	5.4%	3.8%	4.7%	4.3%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	270	274	278	282	287	292	296	300	304	309	314	318
% Ch	5.7%	5.7%	6.1%	6.1%	6.6%	7.3%	5.8%	5.9%	5.9%	6.1%	6.1%	5.8%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JANUARY 1999

EMPLOYMENT

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	485,846	491,105	494,974	498,448	502,975	506,609	511,301	514,286	518,962	523,089	524,879	527,388
% Ch	2.2%	4.4%	3.2%	2.8%	3.7%	2.9%	3.8%	2.4%	3.7%	3.2%	1.4%	1.9%
National (Thousands)	118,459	119,273	119,974	120,655	121,461	122,317	122,995	123,934	124,795	125,516	126,136	126,638
% Ch	1.8%	2.8%	2.4%	2.3%	2.7%	2.9%	2.2%	3.1%	2.8%	2.3%	2.0%	1.6%
GOODS PRODUCING SECTOR												
Idaho	105,221	106,443	106,847	107,729	108,946	109,467	109,808	111,406	111,083	111,517	110,659	110,059
% Ch	3.0%	4.7%	1.5%	3.3%	4.6%	1.9%	1.3%	5.9%	-1.2%	1.6%	-3.0%	-2.2%
National (Thousands)	24,325	24,453	24,542	24,648	24,787	24,881	24,963	25,108	25,296	25,315	25,203	25,112
% Ch	0.4%	2.1%	1.5%	1.7%	2.3%	1.5%	1.3%	2.3%	3.0%	0.3%	-1.8%	-1.4%
MANUFACTURING												
Idaho	72,145	72,862	73,104	73,502	73,777	74,342	74,967	75,353	76,080	76,592	76,116	76,466
% Ch	3.9%	4.0%	1.3%	2.2%	1.5%	3.1%	3.4%	2.1%	3.9%	2.7%	-2.5%	1.9%
National (Thousands)	18,469	18,485	18,503	18,526	18,579	18,625	18,672	18,756	18,825	18,804	18,657	18,556
% Ch	-0.5%	0.4%	0.4%	0.5%	1.2%	1.0%	1.0%	1.8%	1.5%	-0.4%	-3.1%	-2.1%
DURABLE MANUFACTURING												
Idaho	43,384	44,162	44,292	44,440	44,503	45,071	45,833	46,740	47,153	47,505	47,176	47,477
% Ch	6.9%	7.4%	1.2%	1.4%	0.6%	5.2%	6.9%	8.2%	3.6%	3.0%	-2.7%	2.6%
National (Thousands)	10,727	10,777	10,810	10,840	10,896	10,947	11,015	11,091	11,160	11,157	11,060	11,002
% Ch	0.7%	1.9%	1.2%	1.1%	2.1%	1.9%	2.5%	2.8%	2.5%	-0.1%	-3.4%	-2.1%
LUMBER & WOOD PRODUCTS												
Idaho	14,511	14,461	14,412	14,395	14,337	14,258	14,150	14,218	13,688	13,949	13,282	13,155
% Ch	-2.7%	-1.4%	-1.3%	-0.5%	-1.6%	-2.2%	-3.0%	1.9%	-14.1%	7.9%	-17.8%	-3.8%
National (Thousands)	770	777	781	785	789	794	794	796	800	802	803	795
% Ch	-1.5%	3.9%	2.2%	1.9%	2.1%	2.4%	0.0%	1.0%	2.4%	0.8%	0.3%	-3.7%
STONE, CLAY, GLASS, etc.												
Idaho	4,203	4,391	4,385	4,383	4,424	4,420	4,394	4,421	4,304	4,281	4,422	4,347
% Ch	0.7%	19.2%	-0.6%	-0.2%	3.8%	-0.4%	-2.3%	2.5%	-10.1%	-2.2%	13.8%	-6.6%
National (Thousands)	1,978	1,985	1,999	2,008	2,015	2,024	2,029	2,042	2,057	2,055	2,048	2,041
% Ch	0.3%	1.4%	2.9%	1.9%	1.5%	1.7%	1.1%	2.6%	2.9%	-0.4%	-1.4%	-1.4%
ELEC & NONELEC MACH												
Idaho	19,811	20,339	20,430	20,483	20,596	21,177	21,913	22,651	23,528	23,520	23,516	23,799
% Ch	16.7%	11.1%	1.8%	1.0%	2.2%	11.8%	14.6%	14.2%	16.4%	-0.1%	-0.1%	4.9%
National (Thousands)	3,758	3,772	3,782	3,789	3,810	3,834	3,865	3,898	3,923	3,918	3,883	3,839
% Ch	2.1%	1.5%	1.0%	0.8%	2.2%	2.5%	3.3%	3.5%	2.6%	-0.5%	-3.6%	-4.4%
OTHER DURABLES												
Idaho	4,859	4,971	5,065	5,180	5,145	5,217	5,376	5,451	5,633	5,755	5,957	6,177
% Ch	4.8%	9.6%	7.8%	9.4%	-2.6%	5.7%	12.8%	5.6%	14.1%	8.9%	14.8%	15.6%
National (Thousands)	4,222	4,243	4,248	4,258	4,282	4,296	4,328	4,355	4,380	4,382	4,327	4,327
% Ch	0.1%	2.0%	0.5%	0.9%	2.3%	1.3%	3.0%	2.6%	2.3%	0.2%	-4.9%	0.0%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JANUARY 1999

EMPLOYMENT

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	529,134	530,922	533,165	535,628	538,623	542,943	545,422	547,924	550,785	553,832	556,898	560,045
% Ch	1.3%	1.4%	1.7%	1.9%	2.3%	3.2%	1.8%	1.8%	2.1%	2.2%	2.2%	2.3%
National (Thousands)	126,918	127,237	127,534	127,807	128,234	128,739	129,189	129,620	129,995	130,331	130,647	131,013
% Ch	0.9%	1.0%	0.9%	0.9%	1.3%	1.6%	1.4%	1.3%	1.2%	1.0%	1.0%	1.1%
GOODS PRODUCING SECTOR												
Idaho	109,217	108,975	109,045	109,303	109,726	110,323	110,709	110,961	111,125	111,356	111,558	111,723
% Ch	-3.0%	-0.9%	0.3%	0.9%	1.6%	2.2%	1.4%	0.9%	0.6%	0.8%	0.7%	0.6%
National (Thousands)	24,779	24,583	24,413	24,265	24,139	24,114	24,069	24,029	23,969	23,908	23,857	23,828
% Ch	-5.2%	-3.1%	-2.7%	-2.4%	-2.1%	-0.4%	-0.7%	-0.7%	-1.0%	-1.0%	-0.9%	-0.5%
MANUFACTURING												
Idaho	76,435	76,468	76,579	76,815	77,258	77,839	78,269	78,607	78,927	79,328	79,724	80,065
% Ch	-0.2%	0.2%	0.6%	1.2%	2.3%	3.0%	2.2%	1.7%	1.6%	2.0%	2.0%	1.7%
National (Thousands)	18,292	18,130	17,996	17,884	17,779	17,757	17,721	17,681	17,595	17,533	17,469	17,399
% Ch	-5.6%	-3.5%	-2.9%	-2.5%	-2.3%	-0.5%	-0.8%	-0.9%	-1.9%	-1.4%	-1.4%	-1.6%
DURABLE MANUFACTURING												
Idaho	47,466	47,513	47,627	47,737	48,064	48,538	48,833	49,046	49,241	49,527	49,814	50,057
% Ch	-0.1%	0.4%	1.0%	0.9%	2.8%	4.0%	2.5%	1.8%	1.6%	2.3%	2.3%	2.0%
National (Thousands)	10,836	10,741	10,639	10,553	10,475	10,451	10,412	10,373	10,311	10,266	10,224	10,179
% Ch	-5.9%	-3.5%	-3.8%	-3.2%	-2.9%	-0.9%	-1.5%	-1.5%	-2.4%	-1.7%	-1.6%	-1.8%
LUMBER & WOOD PRODUCTS												
Idaho	12,928	12,783	12,679	12,630	12,679	12,761	12,794	12,813	12,840	12,858	12,836	12,830
% Ch	-6.7%	-4.4%	-3.2%	-1.5%	1.5%	2.6%	1.0%	0.6%	0.9%	0.5%	-0.7%	-0.2%
National (Thousands)	775	765	757	750	751	753	755	760	764	764	762	762
% Ch	-10.0%	-4.6%	-4.5%	-3.6%	0.4%	1.6%	1.0%	2.3%	2.4%	-0.1%	-0.9%	-0.1%
STONE, CLAY, GLASS, etc.												
Idaho	4,249	4,162	4,124	4,106	4,100	4,114	4,132	4,144	4,148	4,152	4,149	4,145
% Ch	-8.7%	-7.9%	-3.7%	-1.7%	-0.5%	1.3%	1.8%	1.2%	0.4%	0.3%	-0.3%	-0.3%
National (Thousands)	2,008	1,984	1,970	1,959	1,948	1,944	1,940	1,938	1,934	1,930	1,923	1,921
% Ch	-6.3%	-4.6%	-2.9%	-2.2%	-2.2%	-0.8%	-0.9%	-0.3%	-0.7%	-1.0%	-1.3%	-0.4%
ELEC & NONELEC MACH												
Idaho	24,058	24,305	24,511	24,670	24,906	25,181	25,394	25,569	25,726	25,985	26,243	26,521
% Ch	4.4%	4.2%	3.4%	2.6%	3.9%	4.5%	3.4%	2.8%	2.5%	4.1%	4.0%	4.3%
National (Thousands)	3,791	3,761	3,710	3,666	3,621	3,604	3,582	3,561	3,529	3,515	3,501	3,488
% Ch	-4.9%	-3.2%	-5.3%	-4.6%	-4.8%	-1.9%	-2.4%	-2.4%	-3.5%	-1.5%	-1.6%	-1.4%
OTHER DURABLES												
Idaho	6,231	6,262	6,314	6,331	6,379	6,482	6,513	6,520	6,527	6,533	6,586	6,562
% Ch	3.6%	2.0%	3.3%	1.1%	3.1%	6.6%	1.9%	0.5%	0.4%	0.4%	3.3%	-1.5%
National (Thousands)	4,263	4,230	4,203	4,179	4,156	4,149	4,135	4,115	4,083	4,057	4,037	4,007
% Ch	-5.8%	-3.0%	-2.6%	-2.3%	-2.2%	-0.6%	-1.3%	-1.9%	-3.1%	-2.5%	-2.0%	-3.0%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JANUARY 1999

EMPLOYMENT

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MANUFACTURING (continued)												
NONDURABLE MANUFACTURING												
Idaho	28,761	28,699	28,812	29,062	29,274	29,271	29,134	28,613	28,926	29,087	28,940	28,989
% Ch	-0.4%	-0.9%	1.6%	3.5%	3.0%	0.0%	-1.9%	-7.0%	4.4%	2.2%	-2.0%	0.7%
National (Thousands)	7,741	7,708	7,693	7,685	7,683	7,678	7,656	7,665	7,665	7,647	7,597	7,554
% Ch	-2.1%	-1.7%	-0.8%	-0.4%	-0.1%	-0.2%	-1.1%	0.5%	0.0%	-0.9%	-2.6%	-2.2%
FOOD PROCESSING												
Idaho	17,301	17,354	17,455	17,737	17,966	17,846	17,675	17,136	17,254	17,400	17,336	17,348
% Ch	-3.1%	1.2%	2.3%	6.6%	5.3%	-2.6%	-3.8%	-11.6%	2.8%	3.4%	-1.5%	0.3%
National (Thousands)	1,704	1,694	1,686	1,687	1,690	1,691	1,686	1,696	1,703	1,708	1,696	1,693
% Ch	0.2%	-2.2%	-1.9%	0.2%	0.8%	0.1%	-1.2%	2.4%	1.7%	1.2%	-2.7%	-0.8%
CANNED, CURED, & FROZEN												
Idaho	10,668	10,590	10,620	10,835	11,036	10,703	10,439	10,021	9,953	10,122	10,089	10,067
% Ch	-6.6%	-2.9%	1.2%	8.3%	7.6%	-11.5%	-9.5%	-15.1%	-2.7%	7.0%	-1.3%	-0.9%
OTHER FOOD PROCESSING												
Idaho	6,633	6,765	6,835	6,902	6,931	7,144	7,236	7,115	7,302	7,278	7,247	7,281
% Ch	2.9%	8.2%	4.2%	4.0%	1.7%	12.9%	5.3%	-6.5%	10.9%	-1.3%	-1.7%	1.9%
PAPER, PRINTING, PUBLISH.												
Idaho	7,197	7,139	7,209	7,223	7,107	7,187	7,279	7,295	7,382	7,436	7,420	7,421
% Ch	5.9%	-3.1%	3.9%	0.8%	-6.3%	4.6%	5.3%	0.9%	4.9%	2.9%	-0.9%	0.0%
National (Thousands)	2,227	2,220	2,222	2,226	2,228	2,238	2,240	2,245	2,252	2,251	2,248	2,247
% Ch	-1.0%	-1.1%	0.2%	0.8%	0.3%	1.9%	0.4%	0.9%	1.2%	-0.1%	-0.5%	-0.2%
CHEMICALS												
Idaho	2,379	2,371	2,303	2,275	2,338	2,316	2,237	2,243	2,368	2,402	2,386	2,390
% Ch	2.9%	-1.3%	-11.0%	-4.7%	11.6%	-3.8%	-12.9%	1.2%	24.2%	5.8%	-2.7%	0.8%
National (Thousands)	1,036	1,034	1,034	1,032	1,034	1,035	1,032	1,035	1,036	1,037	1,036	1,032
% Ch	0.0%	-0.6%	-0.1%	-0.5%	0.6%	0.3%	-1.0%	1.2%	0.3%	0.5%	-0.4%	-1.3%
OTHER NONDURABLES												
Idaho	1,884	1,834	1,845	1,826	1,863	1,922	1,942	1,938	1,921	1,849	1,798	1,830
% Ch	-2.7%	-10.1%	2.4%	-4.0%	8.2%	13.4%	4.3%	-0.8%	-3.4%	-14.2%	-10.5%	7.1%
National (Thousands)	2,775	2,759	2,751	2,740	2,731	2,715	2,698	2,689	2,675	2,651	2,616	2,581
% Ch	-5.1%	-2.3%	-1.2%	-1.6%	-1.4%	-2.3%	-2.4%	-1.4%	-2.1%	-3.5%	-5.2%	-5.2%
MINING												
Idaho	2,907	3,023	3,149	3,169	3,191	3,148	3,028	3,025	2,944	2,938	2,922	2,827
%Ch	12.2%	17.0%	17.8%	2.6%	2.8%	-5.3%	-14.4%	-0.5%	-10.2%	-0.9%	-2.1%	-12.4%
National (Thousands)	576	580	580	583	590	592	593	592	590	580	571	560
%Ch	1.2%	3.3%	0.0%	2.1%	4.7%	1.6%	0.5%	-0.9%	-1.3%	-6.6%	-6.1%	-7.3%
METAL MINING												
Idaho	1,712	1,800	1,922	1,955	1,957	1,894	1,769	1,750	1,721	1,738	1,733	1,648
%Ch	6.1%	22.3%	29.9%	7.0%	0.4%	-12.2%	-23.8%	-4.4%	-6.5%	4.0%	-1.1%	-18.3%
OTHER MINING												
Idaho	1,195	1,223	1,227	1,215	1,235	1,254	1,259	1,275	1,223	1,200	1,189	1,180
% Ch	21.6%	9.7%	1.4%	-4.0%	6.8%	6.5%	1.5%	5.1%	-15.2%	-7.4%	-3.6%	-3.2%

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JANUARY 1999

EMPLOYMENT

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MANUFACTURING (continued)												
NONDURABLE MANUFACTURING												
Idaho	28,968	28,955	28,952	29,077	29,194	29,301	29,436	29,561	29,686	29,801	29,910	30,008
% Ch	-0.3%	-0.2%	0.0%	1.7%	1.6%	1.5%	1.9%	1.7%	1.7%	1.6%	1.5%	1.3%
National (Thousands)	7,455	7,389	7,358	7,331	7,304	7,306	7,309	7,307	7,285	7,267	7,246	7,221
% Ch	-5.1%	-3.5%	-1.7%	-1.4%	-1.5%	0.1%	0.1%	-0.1%	-1.2%	-1.0%	-1.2%	-1.4%
FOOD PROCESSING												
Idaho	17,333	17,305	17,255	17,336	17,405	17,477	17,552	17,629	17,703	17,774	17,844	17,914
% Ch	-0.3%	-0.6%	-1.2%	1.9%	1.6%	1.7%	1.7%	1.8%	1.7%	1.6%	1.6%	1.6%
National (Thousands)	1,661	1,643	1,638	1,634	1,626	1,622	1,620	1,620	1,615	1,611	1,606	1,600
% Ch	-7.4%	-4.2%	-1.4%	-1.0%	-2.0%	-0.8%	-0.6%	0.0%	-1.3%	-0.9%	-1.3%	-1.5%
CANNED, CURED, & FROZEN												
Idaho	10,018	9,955	9,870	9,917	9,952	9,989	10,029	10,070	10,109	10,145	10,179	10,214
% Ch	-1.9%	-2.5%	-3.4%	1.9%	1.4%	1.5%	1.6%	1.7%	1.6%	1.4%	1.4%	1.4%
OTHER FOOD PROCESSING												
Idaho	7,315	7,350	7,384	7,419	7,453	7,488	7,523	7,559	7,594	7,629	7,664	7,700
% Ch	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%
PAPER, PRINTING, PUBLISH.												
Idaho	7,402	7,420	7,461	7,500	7,544	7,576	7,616	7,656	7,698	7,735	7,764	7,786
% Ch	-1.0%	1.0%	2.2%	2.1%	2.3%	1.7%	2.1%	2.1%	2.2%	2.0%	1.5%	1.1%
National (Thousands)	2,236	2,226	2,222	2,215	2,207	2,206	2,207	2,209	2,206	2,203	2,200	2,195
% Ch	-1.9%	-1.8%	-0.9%	-1.2%	-1.5%	-0.2%	0.3%	0.3%	-0.6%	-0.5%	-0.6%	-0.8%
CHEMICALS												
Idaho	2,382	2,360	2,345	2,335	2,329	2,323	2,320	2,318	2,315	2,311	2,306	2,301
% Ch	-1.3%	-3.7%	-2.5%	-1.7%	-1.0%	-1.0%	-0.7%	-0.3%	-0.5%	-0.7%	-0.8%	-0.9%
National (Thousands)	1,023	1,016	1,014	1,011	1,006	1,005	1,006	1,006	1,005	1,004	1,002	1,000
% Ch	-3.8%	-2.6%	-0.7%	-1.4%	-1.8%	-0.3%	0.1%	0.2%	-0.5%	-0.5%	-0.8%	-0.7%
OTHER NONDURABLES												
Idaho	1,851	1,870	1,891	1,906	1,916	1,925	1,949	1,958	1,971	1,981	1,996	2,007
% Ch	4.7%	4.3%	4.5%	3.1%	2.2%	2.0%	5.0%	2.0%	2.5%	2.1%	3.2%	2.2%
National (Thousands)	2,535	2,503	2,484	2,472	2,466	2,473	2,476	2,472	2,459	2,449	2,439	2,426
% Ch	-6.9%	-5.0%	-3.0%	-2.0%	-1.0%	1.2%	0.5%	-0.5%	-2.1%	-1.7%	-1.7%	-2.1%
MINING												
Idaho	2,687	2,593	2,535	2,527	2,491	2,534	2,573	2,608	2,603	2,611	2,599	2,589
%Ch	-18.4%	-13.3%	-8.7%	-1.3%	-5.7%	7.1%	6.4%	5.5%	-0.8%	1.4%	-1.8%	-1.6%
National (Thousands)	537	529	525	520	517	516	514	511	508	505	501	499
%Ch	-15.6%	-5.5%	-3.3%	-3.8%	-2.2%	-0.9%	-1.7%	-1.9%	-2.4%	-2.4%	-2.6%	-2.1%
METAL MINING												
Idaho	1,539	1,516	1,494	1,505	1,477	1,520	1,556	1,581	1,573	1,581	1,573	1,567
%Ch	-23.9%	-5.8%	-5.6%	2.9%	-7.2%	12.2%	9.7%	6.6%	-2.1%	2.3%	-2.1%	-1.5%
OTHER MINING												
Idaho	1,149	1,078	1,041	1,022	1,013	1,013	1,017	1,027	1,030	1,030	1,026	1,022
% Ch	-10.1%	-22.6%	-12.8%	-7.0%	-3.4%	-0.1%	1.7%	3.8%	1.2%	0.0%	-1.5%	-1.7%

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JANUARY 1999

EMPLOYMENT

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GOODS PRODUCING (continued)												
CONSTRUCTION												
Idaho	30,170	30,558	30,594	31,058	31,978	31,977	31,813	33,028	32,059	31,988	31,621	30,766
% Ch	0.1%	5.2%	0.5%	6.2%	12.4%	0.0%	-2.0%	16.2%	-11.2%	-0.9%	-4.5%	-10.4%
National (Thousands)	5,280	5,388	5,459	5,539	5,618	5,663	5,698	5,761	5,881	5,931	5,976	5,997
% Ch	3.5%	8.4%	5.4%	6.0%	5.9%	3.3%	2.5%	4.5%	8.6%	3.4%	3.0%	1.4%
SERVICE PRODUCING SECTOR												
Idaho	380,624	384,663	388,127	390,718	394,029	397,142	401,493	402,880	407,879	411,572	414,220	417,329
% Ch	2.0%	4.3%	3.7%	2.7%	3.4%	3.2%	4.5%	1.4%	5.1%	3.7%	2.6%	3.0%
National (Thousands)	94,134	94,820	95,432	96,008	96,674	97,436	98,032	98,826	99,500	100,201	100,933	101,525
% Ch	2.2%	2.9%	2.6%	2.4%	2.8%	3.2%	2.5%	3.3%	2.8%	2.8%	3.0%	2.4%
FINANCE, INSUR, REAL ESTATE												
Idaho	25,254	25,273	25,152	25,053	25,121	25,165	25,485	25,829	26,216	26,277	26,688	26,733
% Ch	-2.1%	0.3%	-1.9%	-1.6%	1.1%	0.7%	5.2%	5.5%	6.1%	0.9%	6.4%	0.7%
National (Thousands)	6,845	6,887	6,934	6,977	7,016	7,063	7,110	7,172	7,234	7,311	7,376	7,410
% Ch	1.5%	2.5%	2.8%	2.5%	2.3%	2.7%	2.7%	3.6%	3.5%	4.3%	3.6%	1.9%
TRANS, COMMUN, PUBLIC UTIL												
Idaho	23,017	23,137	23,447	24,008	23,955	24,142	24,315	24,558	24,957	25,389	25,256	25,297
% Ch	-0.6%	2.1%	5.5%	9.9%	-0.9%	3.2%	2.9%	4.1%	6.7%	7.1%	-2.1%	0.6%
National (Thousands)	6,203	6,243	6,284	6,288	6,356	6,399	6,370	6,453	6,490	6,528	6,564	6,613
% Ch	0.8%	2.6%	2.6%	0.3%	4.4%	2.7%	-1.8%	5.3%	2.3%	2.4%	2.2%	3.0%
TRADE												
Idaho	123,490	124,484	125,926	126,838	128,125	128,816	129,353	129,731	131,111	132,704	132,774	133,941
% Ch	2.2%	3.3%	4.7%	2.9%	4.1%	2.2%	1.7%	1.2%	4.3%	4.9%	0.2%	3.6%
National (Thousands)	27,820	27,983	28,155	28,347	28,439	28,583	28,704	28,898	29,044	29,213	29,410	29,555
% Ch	1.6%	2.4%	2.5%	2.8%	1.3%	2.0%	1.7%	2.7%	2.0%	2.3%	2.7%	2.0%
SERVICES												
Idaho	113,623	115,593	116,698	118,073	119,317	121,551	123,748	125,993	126,537	127,568	129,270	130,683
% Ch	5.5%	7.1%	3.9%	4.8%	4.3%	7.7%	7.4%	7.5%	1.7%	3.3%	5.4%	4.4%
National (Thousands)	33,914	34,299	34,639	34,964	35,402	35,871	36,245	36,639	37,019	37,347	37,687	37,989
% Ch	4.0%	4.6%	4.0%	3.8%	5.1%	5.4%	4.2%	4.4%	4.2%	3.6%	3.7%	3.2%
STATE & LOCAL GOVERNMENT												
Idaho	82,388	83,190	84,068	83,832	84,479	84,617	85,671	83,415	86,040	86,830	87,300	87,616
% Ch	0.0%	3.9%	4.3%	-1.1%	3.1%	0.7%	5.1%	-10.1%	13.2%	3.7%	2.2%	1.5%
National (Thousands)	16,573	16,640	16,675	16,702	16,745	16,818	16,914	16,974	17,039	17,129	17,214	17,272
% Ch	1.1%	1.6%	0.8%	0.6%	1.0%	1.7%	2.3%	1.4%	1.5%	2.1%	2.0%	1.3%
Idaho Education	45,174	45,377	46,605	46,193	46,482	46,305	47,129	44,199	47,123	47,703	48,105	48,381
% Ch	-2.6%	1.8%	11.3%	-3.5%	2.5%	-1.5%	7.3%	-22.6%	29.2%	5.0%	3.4%	2.3%
Idaho Other	37,214	37,813	37,462	37,639	37,997	38,312	38,542	39,216	38,917	39,126	39,195	39,235
% Ch	3.2%	6.6%	-3.7%	1.9%	3.9%	3.4%	2.4%	7.2%	-3.0%	2.2%	0.7%	0.4%
FEDERAL GOVERNMENT												
Idaho	12,853	12,986	12,836	12,913	13,032	12,851	12,920	13,355	13,019	12,806	12,931	13,058
% Ch	-2.4%	4.2%	-4.5%	2.4%	3.7%	-5.4%	2.2%	14.2%	-9.7%	-6.4%	4.0%	4.0%
National (Thousands)	2,779	2,767	2,746	2,730	2,715	2,703	2,689	2,689	2,672	2,673	2,682	2,687
% Ch	-2.5%	-1.7%	-3.0%	-2.3%	-2.3%	-1.8%	-2.1%	0.0%	-2.5%	0.1%	1.4%	0.7%

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EMPLOYMENT

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GOODS PRODUCING (continued)												
CONSTRUCTION												
Idaho	30,095	29,913	29,931	29,961	29,977	29,950	29,867	29,746	29,596	29,417	29,235	29,069
% Ch	-8.4%	-2.4%	0.2%	0.4%	0.2%	-0.4%	-1.1%	-1.6%	-2.0%	-2.4%	-2.5%	-2.2%
National (Thousands)	5,950	5,924	5,892	5,862	5,843	5,842	5,834	5,838	5,866	5,871	5,886	5,930
% Ch	-3.1%	-1.8%	-2.1%	-2.1%	-1.3%	-0.1%	-0.5%	0.2%	1.9%	0.3%	1.0%	3.0%
SERVICE PRODUCING SECTOR												
Idaho	419,917	421,947	424,120	426,325	428,897	432,620	434,713	436,963	439,659	442,476	445,341	448,323
% Ch	2.5%	1.9%	2.1%	2.1%	2.4%	3.5%	1.9%	2.1%	2.5%	2.6%	2.6%	2.7%
National (Thousands)	102,139	102,654	103,120	103,542	104,095	104,624	105,120	105,590	106,026	106,423	106,791	107,185
% Ch	2.4%	2.0%	1.8%	1.6%	2.2%	2.0%	1.9%	1.8%	1.7%	1.5%	1.4%	1.5%
FINANCE, INSUR, REAL ESTATE												
Idaho	26,812	26,857	26,905	26,975	27,056	27,161	27,323	27,410	27,499	27,602	27,715	27,828
% Ch	1.2%	0.7%	0.7%	1.0%	1.2%	1.6%	2.4%	1.3%	1.3%	1.5%	1.6%	1.6%
National (Thousands)	7,418	7,411	7,396	7,411	7,430	7,462	7,510	7,552	7,582	7,623	7,640	7,665
% Ch	0.4%	-0.4%	-0.8%	0.8%	1.0%	1.7%	2.6%	2.2%	1.6%	2.2%	0.9%	1.3%
TRANS, COMMUN, PUBLIC UTIL												
Idaho	25,374	25,413	25,454	25,517	25,591	25,693	25,861	25,937	26,014	26,108	26,213	26,318
% Ch	1.2%	0.6%	0.6%	1.0%	1.2%	1.6%	2.6%	1.2%	1.2%	1.5%	1.6%	1.6%
National (Thousands)	6,602	6,619	6,609	6,612	6,616	6,631	6,639	6,667	6,676	6,688	6,695	6,706
% Ch	-0.7%	1.0%	-0.6%	0.2%	0.2%	0.9%	0.5%	1.7%	0.5%	0.7%	0.5%	0.6%
TRADE												
Idaho	134,900	135,606	136,381	137,171	138,125	139,237	140,340	141,452	142,616	143,705	144,807	145,971
% Ch	2.9%	2.1%	2.3%	2.3%	2.8%	3.3%	3.2%	3.2%	3.3%	3.1%	3.1%	3.3%
National (Thousands)	29,730	29,866	30,050	30,176	30,287	30,360	30,480	30,597	30,684	30,688	30,736	30,774
% Ch	2.4%	1.8%	2.5%	1.7%	1.5%	1.0%	1.6%	1.5%	1.1%	0.1%	0.6%	0.5%
SERVICES												
Idaho	131,856	132,755	133,723	134,707	135,872	137,217	138,553	139,899	141,294	142,610	143,939	145,335
% Ch	3.6%	2.8%	2.9%	3.0%	3.5%	4.0%	4.0%	3.9%	4.1%	3.8%	3.8%	3.9%
National (Thousands)	38,322	38,600	38,820	39,023	39,227	39,503	39,781	40,098	40,365	40,628	40,845	41,109
% Ch	3.6%	2.9%	2.3%	2.1%	2.1%	2.8%	2.9%	3.2%	2.7%	2.6%	2.2%	2.6%
STATE & LOCAL GOVERNMENT												
Idaho	87,929	88,273	88,614	88,949	89,290	89,535	89,761	89,981	90,196	90,425	90,657	90,898
% Ch	1.4%	1.6%	1.6%	1.5%	1.5%	1.1%	1.0%	1.0%	1.0%	1.0%	1.0%	1.1%
National (Thousands)	17,386	17,481	17,570	17,665	17,756	17,835	17,918	18,005	18,092	18,173	18,256	18,324
% Ch	2.7%	2.2%	2.1%	2.2%	2.1%	1.8%	1.9%	2.0%	2.0%	1.8%	1.8%	1.5%
Idaho Education	48,651	48,950	49,245	49,532	49,824	50,022	50,196	50,365	50,531	50,709	50,890	51,074
% Ch	2.3%	2.5%	2.4%	2.4%	2.4%	1.6%	1.4%	1.4%	1.3%	1.4%	1.4%	1.5%
Idaho Other	39,278	39,323	39,369	39,417	39,466	39,513	39,565	39,616	39,665	39,716	39,767	39,824
% Ch	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%
FEDERAL GOVERNMENT												
Idaho	13,045	13,044	13,044	13,005	12,963	13,777	12,873	12,284	12,042	12,026	12,011	11,974
% Ch	-0.4%	-0.1%	0.0%	-1.2%	-1.3%	27.6%	-23.8%	-17.1%	-7.7%	-0.5%	-0.5%	-1.2%
National (Thousands)	2,681	2,678	2,675	2,656	2,780	2,833	2,792	2,672	2,627	2,623	2,619	2,608
% Ch	-0.9%	-0.4%	-0.4%	-2.9%	20.1%	7.9%	-5.7%	-16.1%	-6.6%	-0.6%	-0.6%	-1.7%

**National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998**

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JANUARY 1999

MISCELLANEOUS

	1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS												
Idaho (Millions)	846.2	884.3	869.1	869.7	880.4	891.9	898.5	928.3	918.6	913.7	918.3	988.5
% Ch	13.2%	19.3%	-6.7%	0.3%	5.0%	5.3%	3.0%	13.9%	-4.1%	-2.1%	2.0%	34.3%
National (Billions)	214.3	223.8	219.0	218.4	220.7	223.2	224.4	231.8	228.7	226.9	227.6	245.4
% Ch	12.5%	18.9%	-8.3%	-1.1%	4.3%	4.6%	2.2%	13.9%	-5.2%	-3.1%	1.2%	35.1%
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	108.9	109.3	109.8	110.2	111.0	111.4	111.8	112.1	112.3	112.6	112.8	113.2
% Ch	2.2%	1.4%	1.8%	1.6%	2.8%	1.7%	1.2%	1.1%	0.9%	0.9%	0.8%	1.4%
Consumption Expenditures	108.9	109.6	110.0	110.6	111.3	111.6	112.0	112.3	112.3	112.5	112.8	113.4
% Ch	2.2%	2.5%	1.5%	2.5%	2.5%	1.1%	1.3%	1.1%	0.0%	0.9%	1.0%	2.0%
Durable Goods	103.5	102.9	102.5	102.1	101.8	101.0	100.2	99.6	99.3	98.7	98.1	98.0
% Ch	0.6%	-2.1%	-1.5%	-1.8%	-0.9%	-3.4%	-2.8%	-2.4%	-1.4%	-2.2%	-2.5%	-0.5%
Nondurable Goods	105.1	106.0	106.1	107.1	107.6	107.5	107.7	108.0	107.3	107.4	107.8	108.4
% Ch	3.0%	3.6%	0.3%	3.6%	2.0%	-0.2%	0.8%	0.9%	-2.2%	0.2%	1.5%	2.1%
Services	112.1	113.0	113.7	114.5	115.5	116.3	117.0	117.6	118.0	118.6	119.0	119.7
% Ch	2.1%	3.0%	2.7%	2.9%	3.5%	2.8%	2.5%	1.9%	1.4%	1.9%	1.5%	2.5%
Cons. Price Index (1982-84)	155.1	156.5	157.5	158.8	159.6	160.2	160.9	161.8	162.0	162.8	163.5	164.5
% Ch	3.2%	3.7%	2.4%	3.3%	2.2%	1.3%	1.9%	2.1%	0.5%	2.0%	1.8%	2.6%
SELECTED INTEREST RATES												
Federal Funds	5.36%	5.24%	5.31%	5.28%	5.28%	5.52%	5.53%	5.51%	5.52%	5.50%	5.53%	5.10%
Prime	8.33%	8.25%	8.25%	8.25%	8.27%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.10%
New Home Mortgage	7.34%	7.87%	8.02%	7.85%	7.82%	8.00%	7.66%	7.45%	7.23%	7.18%	7.07%	7.13%
U.S. Govt. 3-Month Bills	4.93%	5.02%	5.10%	4.98%	5.06%	5.05%	5.05%	5.09%	5.05%	4.98%	4.82%	4.40%
SELECTED US PRODUCTION INDICES												
Lumber & Wood Products	109.1	113.1	112.6	112.3	113.5	116.4	114.9	114.7	115.7	117.3	118.0	116.1
% Ch	-0.7%	15.5%	-1.9%	-0.8%	4.2%	10.8%	-5.1%	-0.7%	3.4%	5.6%	2.3%	-6.3%
Office & Computer Equip.	248.1	269.3	295.6	313.5	336.5	362.6	401.5	427.3	478.1	535.1	581.7	632.5
% Ch	36.1%	38.6%	45.3%	26.4%	32.7%	34.9%	50.2%	28.3%	56.6%	56.9%	39.7%	39.8%
Electrical Machinery	190.3	197.3	202.1	207.7	216.4	226.6	236.6	246.0	254.0	257.5	260.0	265.0
% Ch	13.1%	15.6%	10.0%	11.6%	18.0%	20.0%	19.0%	16.9%	13.6%	5.6%	4.0%	8.0%
Electronic Components	318.1	335.7	354.9	378.7	415.7	452.6	492.2	526.0	561.5	576.4	589.2	610.0
% Ch	21.6%	24.1%	24.9%	29.6%	45.2%	40.6%	39.9%	30.4%	29.9%	11.0%	9.2%	14.9%
Food	107.0	107.0	106.7	108.3	109.6	109.1	109.2	110.3	112.1	111.7	110.3	111.4
% Ch	1.6%	0.0%	-1.1%	6.2%	4.6%	-1.9%	0.4%	4.3%	6.6%	-1.5%	-4.8%	4.1%
Paper	105.2	107.4	108.8	110.1	111.7	112.2	114.1	113.5	113.1	112.7	113.9	112.0
% Ch	-8.6%	8.6%	5.2%	4.6%	6.1%	1.8%	6.9%	-2.1%	-1.3%	-1.7%	4.3%	-6.4%
Agricultural Chemicals	102.7	100.5	104.7	103.4	102.8	104.3	104.5	103.1	104.5	105.5	109.5	105.7
% Ch	4.8%	-8.2%	17.9%	-5.1%	-1.9%	5.9%	0.6%	-5.3%	5.7%	4.1%	16.0%	-13.4%
Metals & Minerals Mining	106.4	109.4	111.3	112.9	114.2	113.6	112.8	114.5	116.4	116.1	117.5	111.2
% Ch	-6.4%	12.0%	7.1%	5.7%	4.8%	-2.2%	-2.8%	6.4%	6.9%	-1.3%	5.2%	-19.8%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JANUARY 1999

MISCELLANEOUS

	1999				2000				2001			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS												
Idaho (Millions)	1,015.5	1,026.0	1,041.3	1,058.9	1,072.4	1,085.5	1,098.9	1,113.2	1,127.7	1,141.5	1,155.5	1,163.4
% Ch	11.3%	4.2%	6.1%	6.9%	5.2%	5.0%	5.0%	5.3%	5.3%	5.0%	5.0%	2.8%
National (Billions)	251.8	254.0	257.3	261.2	264.1	266.8	269.5	272.5	275.5	278.4	281.2	282.5
% Ch	10.9%	3.4%	5.4%	6.2%	4.4%	4.2%	4.2%	4.5%	4.5%	4.2%	4.2%	1.8%
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	113.7	114.3	114.8	115.3	116.0	116.6	117.1	117.7	118.4	119.0	119.7	120.3
% Ch	1.9%	1.9%	1.9%	1.9%	2.3%	2.0%	2.0%	2.0%	2.3%	2.2%	2.2%	2.1%
Consumption Expenditures	114.0	114.7	115.3	115.9	116.7	117.4	118.1	118.8	119.5	120.3	121.1	121.8
% Ch	2.2%	2.3%	2.2%	2.3%	2.5%	2.4%	2.5%	2.5%	2.5%	2.6%	2.6%	2.5%
Durable Goods	97.9	97.8	97.7	97.6	97.5	97.5	97.6	97.6	97.7	97.7	97.8	97.9
% Ch	-0.3%	-0.4%	-0.5%	-0.3%	-0.1%	0.0%	0.1%	0.2%	0.2%	0.3%	0.3%	0.2%
Nondurable Goods	108.9	109.5	110.0	110.7	111.5	112.2	112.9	113.7	114.4	115.1	115.9	116.6
% Ch	2.0%	2.0%	2.1%	2.4%	3.0%	2.5%	2.5%	2.6%	2.6%	2.7%	2.7%	2.6%
Services	120.6	121.4	122.3	123.1	124.0	124.9	125.8	126.7	127.6	128.6	129.5	130.5
% Ch	2.8%	3.0%	2.8%	2.8%	2.8%	2.9%	2.9%	2.9%	2.9%	3.1%	3.0%	2.9%
Cons. Price Index (1982-84)	165.6	166.6	167.7	168.8	170.0	171.1	172.2	173.4	174.6	175.8	177.0	178.2
% Ch	2.6%	2.5%	2.5%	2.7%	2.8%	2.7%	2.7%	2.7%	2.7%	2.9%	2.8%	2.7%
SELECTED INTEREST RATES												
Federal Funds	4.75%	4.50%	4.25%	4.00%	4.00%	4.00%	4.00%	4.25%	4.50%	4.50%	4.50%	4.50%
Prime	7.75%	7.50%	7.25%	7.00%	7.00%	7.00%	7.00%	7.25%	7.50%	7.50%	7.50%	7.50%
New Home Mortgage	6.93%	6.74%	6.56%	6.45%	6.38%	6.33%	6.31%	6.34%	6.41%	6.48%	6.52%	6.54%
U.S. Govt. 3-Month Bills	4.04%	3.79%	3.63%	3.42%	3.50%	3.54%	3.54%	3.72%	3.94%	3.95%	3.96%	3.99%
SELECTED US PRODUCTION INDICES												
Lumber & Wood Products	114.9	114.8	114.8	115.0	116.5	117.7	118.5	119.3	120.5	120.9	121.2	122.0
% Ch	-4.1%	-0.3%	0.0%	0.9%	5.1%	4.1%	2.8%	2.9%	4.0%	1.2%	1.0%	2.9%
Office & Computer Equip.	683.2	732.2	778.3	820.4	862.1	910.6	951.5	990.8	1,026.9	1,067.4	1,106.5	1,152.2
% Ch	36.1%	31.9%	27.7%	23.5%	22.0%	24.4%	19.2%	17.6%	15.4%	16.7%	15.5%	17.6%
Electrical Machinery	268.8	272.8	277.9	282.0	288.2	294.9	300.4	305.2	310.8	318.7	327.3	335.9
% Ch	5.8%	6.2%	7.6%	6.0%	9.1%	9.6%	7.7%	6.6%	7.5%	10.6%	11.3%	10.9%
Electronic Components	632.3	653.2	677.1	698.6	727.1	755.5	781.0	805.6	832.5	868.5	908.0	948.1
% Ch	15.5%	13.9%	15.5%	13.3%	17.4%	16.6%	14.2%	13.2%	14.1%	18.4%	19.5%	18.9%
Food	111.6	112.0	112.3	112.6	113.2	113.8	114.3	114.6	114.9	115.2	115.5	115.8
% Ch	0.8%	1.3%	1.1%	1.3%	1.9%	2.1%	1.9%	1.1%	1.0%	1.2%	1.1%	0.8%
Paper	113.0	113.2	113.8	114.1	115.2	116.5	117.7	118.4	119.0	119.6	120.2	120.9
% Ch	3.7%	0.5%	2.2%	1.2%	3.7%	4.9%	4.1%	2.2%	2.2%	1.9%	2.1%	2.3%
Agricultural Chemicals	104.1	103.3	103.6	104.2	104.5	105.9	107.0	107.9	108.6	109.3	109.8	110.3
% Ch	-5.7%	-3.1%	1.2%	2.2%	1.3%	5.3%	4.2%	3.7%	2.3%	2.6%	1.9%	2.0%
Metals & Minerals Mining	107.0	103.6	102.0	102.7	105.1	107.4	109.2	110.2	111.7	113.3	114.6	116.2
% Ch	-14.3%	-12.2%	-5.9%	2.6%	9.6%	9.2%	6.6%	3.9%	5.5%	6.0%	4.6%	5.7%

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the THIRD Quarter of 1998

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APPENDIX

DRI Macro Model.....	Page 60
Idaho Economic Model.....	Page 62
Equations.....	Page 64
Endogenous Variables.....	Page 68
Exogenous Variables.....	Page 70

THE DRI U.S. MACROECONOMIC MODEL

Standard and Poor's DRI Macroeconomic Model is a multiple-equation model of the U.S. economy. Consisting of over 1,200 equations, the model is solved iteratively to generate the results of different policy and forecast scenarios. The model incorporates the best insights of many theoretical schools of thought to depict the economic decision processes and interactions of households, businesses, and governments.

The DRI model is divided into the following eight major sectors:

- I Private Domestic Spending**
- II Production and Income**
- III Taxes**
- IV International Transactions**
- V Financial**
- VI Inflation**
- VII Supply**
- VIII Expectations**

- I. **Private Domestic Spending.** Major aggregate demand components include consumption, investment, and government. Consumer purchases are divided among three categories: durable goods, nondurable goods, and services. In nearly all cases, real expenditures are influenced by real income and the relative price of consumer goods. Durable and semidurable goods are also sensitive to household net worth, current finance costs, and consumer sentiment.

DRI divides investment into two general categories: fixed investment and inventories. The former is driven by utilization rates, capital stock, relative prices, financial market conditions, financial balance sheet conditions, and government policies. Inventory investment is heavily influenced by such factors as past and present sales levels, vendor performance, and utilization rates.

The government sector is divided into federal government and state and local government. Most of the federal expenditure side is exogenous. Federal receipts are endogenous and divided into personal taxes, corporate taxes, indirect business taxes, and contributions for social insurance. State and local sector receipts depend primarily on federal grants and various tax rates and bases. State and local government spending is driven by legal requirements (i.e., balanced budgets), the level of federal grants (due to the matching requirements of many programs), population growth, and trend increases in personal income.

- II. **Production and Income.** The industrial production sector includes 74 standard industrial classifications. Production is a function of various cyclical and trend variables and a generated output term, i.e., the input-output (I-O) relationship between the producing industry and both intermediate industries and final demand. The cyclical and trend variables correct for changes in I-O coefficients that are implied by the changing relationship between buyers and sellers.

Pre-tax income categories include private and government wages, corporate profits, interest rate, and entrepreneurial returns. Each of these categories, except corporate profits, is determined by some combination of wages, prices, interest rates, debt levels, capacity utilization rate, and unemployment rate. Corporate profits are calculated as the residual of total national income less the non-profit components of income mentioned above.

- III. **Taxes.** The model tracks personal, corporate, payroll, and excise taxes separately. Tax revenues are simultaneously forecast as the product of the rate and the associated pre-tax income components. The model automatically adjusts the effective average personal tax rate for variations in inflation and income per household, and the effective average corporate rate for credits earned on equipment, utility structures, and R&D. State taxes are fully endogenous, except for corporate profits and social insurance tax rates.
- IV. **International.** The international sector can either add or divert strength from the central flow of domestic income and spending. Imports' ability to capture varying shares of domestic demand depends on the prices of foreign output, the U.S. exchange rate, and competing domestic prices. Exports' portion of domestic spending depends on similar variables and the level of world gross domestic product. The exchange rate itself responds to international differences in inflation, interest rates, trade deficits, and capital flows between the U.S. and its competitors. Investment income flows are also explicitly modeled.
- V. **Financial.** The DRI model includes a highly detailed financial sector. Several short- and long-term interest rates are covered in this model, and they are the key output of this sector. The short-term rates depend upon the balance between the demand and supply of reserves in the banking system. The supply of reserves is the primary exogenous monetary policy lever within the model, reflecting the Federal Reserve's open market purchases or sales of Treasury securities. Longer-term interest rates are driven by shorter-term rates as well as factors affecting the slope of the yield curve. These factors include inflation expectations, government borrowing requirements, and corporate finance needs.
- VI. **Inflation.** Inflation is modeled as a controlled, interactive process involving wages, prices, and market conditions. The principal domestic cost influences are labor compensation, nonfarm productivity, and foreign input costs that later are driven by the exchange rate, the price of oil, and foreign wholesale price inflation. This set of cost influences drives each of the industry-specific producer price indexes, in combination with a demand pressure indicator and appropriately weighted composites of the other producer price indexes.
- VII. **Supply.** In this model, aggregate supply (or potential GNP), is estimated by a Cobb-Douglas production function that combines factor input growth and improvements to total factor productivity. Factor input equals a weighted average of labor, business fixed capital, and energy. Factor supplies are defined by estimates of the full employment labor force, the full employment capital stock net of pollution abatement equipment, the domestic production of petroleum and natural gas, and the stock of infrastructure. Total factor productivity depends upon the stock of research and development capital and trend technological change.
- VIII. **Expectations.** Expectations impact several expenditure categories in the model, but the principal nuance relates to the entire spectrum of interest rates. Shifts in price expectations or the expected government capital needs influences are captured directly in this model through price expectations and budget deficit terms. The former impacts all interest rates and the latter impacts intermediate- and long-term rates. On the expenditure side, inflationary expectations impact consumption via consumer sentiment, while growth expectations affect business investment.

THE IDAHO ECONOMIC MODEL

The Idaho Economic Model (IEM) is an income and employment based model of Idaho's economy. The Model consists of a simultaneous system of linear regression equations, which are estimated using quarterly data. The primary exogenous variables are obtained from the DRI U.S. Macroeconomic Model. Endogenous variables are forecast at the statewide level of aggregation.

The focal point of the IEM is Idaho personal income, which is given by the identity:

$$\begin{aligned} \text{personal income} = & \text{wage and salary payments} + \text{other labor} \\ & \text{income} + \text{farm proprietors' income} + \text{nonfarm proprietors' income} \\ & + \text{property income} + \text{transfer payments} - \text{contributions} \\ & \text{for social insurance} + \text{residence adjustment.} \end{aligned}$$

With the exception of farm proprietors' income and wage and salary payments, each of the components of personal income is estimated stochastically by a single equation. Farm proprietors' income and wage and salary payments each comprise submodels containing a system of stochastic equations and identities.

The farm proprietor sector is estimated using a highly aggregated submodel consisting of equations for crop marketing receipts, livestock marketing receipts, production expenses, inventory changes, imputed rent income, corporate farm income, and government payments to farmers. Farm proprietors' income includes inventory changes and imputed rent, but this component is netted out of the tax base.

At the heart of the IEM is the wage and salary sector, which includes stochastic employment equations for 18 Standard Industrial Classification (SIC) employment categories. Conceptually, the employment equations are divided into basic and domestic activities. The basic employment equations are specified primarily as functions of national demand and supply variables. Domestic employment equations are specified primarily as functions of state-specific demand variables. Average annual wages are estimated for several broad employment categories and are combined with employment to arrive at aggregate wage and salary payments.

The demographic component of the model is used to forecast components of population change and housing starts. Resident population, births, and deaths are modeled stochastically. Net migration is calculated residually from the estimates for those variables. Housing starts are divided into single and multiple units. Each equation is functionally related to economic and population variables.

The output of the IEM (i.e., the forecast values of the endogenous variables) is determined by the parameters of the equations and the values of exogenous variables over the forecast period. The values of equation parameters are determined by the historic values of both the exogenous and endogenous variables. IEM equation parameters are estimated using the technique of ordinary least squares. Model equations are occasionally respecified in response to the dynamic nature of the Idaho and national economies. Parameter values for a particular equation (given the same specification) may change as a result of revisions in the historic data or a change in the time interval of the estimation. In general, parameter values should remain relatively constant over time, with changes reflecting changing structural relationships.

While the equation parameters are determined by structural relationships and remain relatively fixed, the forecast period exogenous variable values are more volatile determinants of the forecast values of endogenous

variables. They are more often subject to change as expectations regarding future economic behavior change, and they are more likely to give rise to debate over appropriate values. As mentioned above, the forecast period values of exogenous variables are primarily obtained from DRI's U.S. Macroeconomic Model.

Since the output of the IEM depends in large part upon the output of the DRI model, an understanding of the DRI model, its input assumptions, and its output is useful in evaluating the results of the IEM's forecast. The assumptions and output of the DRI model are discussed in the National Forecast section.

EQUATIONS OF THE IDAHO ECONOMIC MODEL

ID0AHEMF:	$ID0AHEMF = 3.18580 + 6.85635 * ID0NEWMF \backslash 1 / ID0NEWMF \backslash 1 * JRWSSNF + 9.85903 * ID0NEWMF \backslash 1 / ID0NEWMF \backslash 1 * JRWSSNF$
ID0AVGW\$:	$ID0AVGW\$ = ((ID0WBB\$ - ID0WBBF\$ - ID0WBBMIL\$) / ID0NEW) * 1000$
ID0CRCROP:	$ID0CRCROP = -2.14930 + 0.00433317 * CRCROP + 3.14862 * WPI01$
ID0CRLVSTK:	$ID0CRLVSTK = -1.51523 + 0.00893620 * CRCATCVS + 2.42670 * WPI01$
ID0EXFP:	$ID0EXFP = -1.59267 + 4.03153 * WPI01$
ID0GIA\$:	$ID0GIA\$ = 63.1032 + 838.648 * VAIDGF @ SL * ID0NPT / N$
ID0HSPR:	$ID0HSPR = ID0HSPRS1 @ A + ID0HSPRS2A @ A$
ID0HSPRS1 @ A:	$ID0HSPRS1 @ A = -8.92053 - 0.454994 * (RMMTGNN\$ - MOVAVG(5 TO 1, RMMTGNN\$)) + 117.359 * (MOVAVG(4 TO 1, ID0NPT) - MOVAVG(8 TO 5, ID0NPT)) + 0.0362739 * ID0KHU \backslash 1$
ID0HSPRS2A @ A:	$ID0HSPRS2A @ A = 8.27784 + 45.2796 * (MOVAVG(4 TO 1, ID0NPT) - MOVAVG(8 TO 5, ID0NPT)) - 0.312165 * MOVAVG(3 TO 0, RMMTGNN\$) - 0.0268444 * TIME$
ID0IPMFDNEC:	$ID0IPMFDNEC = 13.0 * JQIND25 * 100 / 81.2 + 52.5 * JQIND37 * 100 / 81.2 + 15.7 * JQIND39 * 100 / 81.2$
ID0IP26&27:	$ID0IP26 \& 27 = 252.3 * JQIND26 * 100 / 498.1 + 245.8 * JQIND27 * 100 / 498.1$
ID0IP32&34:	$ID0IP32 \& 34 = 58.8 * JQIND32 * 100 / 206.9 + 148.1 * JQIND34 * 100 / 206.9$
ID0KHU:	$ID0KHU = ID0KHU1 + ID0KHU2A$
ID0KHU1:	$ID0KHU1 = ((1 - 0.003) ** .25) * ID0KHU1 \backslash 1 + ID0HSPRS1 @ A / 4$
ID0KHU2A:	$ID0KHU2A = ((1 - 0.003) ** .25) * ID0KHU2A \backslash 1 + ID0HSPRS2A @ A / 4$
ID0NB:	$ID0NB = 5.11652 + 35.6767 * ID0NPT - 0.145540 * TIME$
ID0ND:	$ID0ND = 0.274964 + 5.34123 * ID0NPT + 0.0107697 * TIME$
ID0NEW:	$ID0NEW = ID0NEWMF + ID0NEWNM$
ID0NEWCC:	$ID0NEWCC = 7.79798 + 0.466532 * ID0HSPR + 0.630148 * ID0HSPR \backslash 1 + 0.793764 * ID0HSPR \backslash 3$
ID0NEWFIR:	$ID0NEWFIR = 4.88198 + 0.0421106 * ID0NEW \backslash 1 - 0.942322 * DUM87ON - 0.175627 * TIME + 30.5484 * MOVAVG(4 TO 1, ID0NPT)$

ID0NEWGOOD: ID0NEWGOOD= ID0NEWMF + ID0NEWMG + ID0NEWCC

ID0NEWGV: ID0NEWGV= ID0NEWGVF + ID0NEWGVSL

ID0NEWGVF: ID0NEWGVF= 0.788215 +660.018*EGF*(ID0NPT/N)
+4.98491*EGF*(GFO92C/GF92C)

ID0NEWGVSL: ID0NEWGVSL= ID0NEWGVSLED + ID0NEWGVSL@ED

ID0NEWGVSL@ED: ID0NEWGVSL@ED= -16.2761 +24.0779*ID0NPT +0.128879*TIME

ID0NEWGVSLED: ID0NEWGVSLED= -16.5221 +84.6878*(ID0NPT*((N-N16&)/N))
+0.494600*MOVAVG(8 TO 4,ID0YPTXB) +0.155457*TIME

ID0NEWMF: ID0NEWMF= ID0NEWMFD + ID0NEWMFN

ID0NEWMFD: ID0NEWMFD= ID0NEW24 + ID0NEW32&34 + ID0NEW35&36 +
ID0NEWMFDNEC

ID0NEWMFDNEC: ID0NEWMFDNEC= -3.38439 +0.0678202*ID0IPMFDNEC

ID0NEWMFN: ID0NEWMFN= ID0NEW20 + ID0NEW26&27 + ID0NEW28 + ID0NEWMFNNEC

ID0NEWMFNNEC: ID0NEWMFNNEC= -0.426344 +0.00436808*(CNCS92C + CNOO92C)
-0.325229*DUM87ON

ID0NEWMG: ID0NEWMG= ID0NEWMG@10 + ID0NEW10

ID0NEWMG@10: ID0NEWMG@10= 1.79701 +1.25110*MOVAVG(2 TO 0,JQIND287)
-0.0101009*TIME

ID0NEWNGOOD: ID0NEWNGOOD= ID0NEWNM - ID0NEWMG - ID0NEWCC

ID0NEWNM: ID0NEWNM= ID0NEWCC + ID0NEWFIR + ID0NEWGV + ID0NEWSV +
ID0NEWTCU + ID0NEWWR + ID0NEWMG

ID0NEWSV: ID0NEWSV= -52.9372
+6.93236*MOVAVG(3 TO 0,YPADJ@ID)/MOVAVG(3 TO 0,PCWC)
+0.115663*TIME

ID0NEWTCU: ID0NEWTCU= 13.4171 +0.0503977*ID0NEW\1 -00743980*TIME

ID0NEWWR: ID0NEWWR= -8.98439
+6.40422*MOVAVG(3 TO 0,YPADJ@ID)/MOVAVG(3 TO 0,PCWC)

ID0NEW10: ID0NEW10= -0.0773180 +5.00124*MOVAVG(1 TO 0,JQIND33)
-2.05821*JQIND33/EMI

ID0NEW20: ID0NEW20= ID0NEW20@203 + ID0NEW203

ID0NEW20@203: ID0NEW20@203= 0.549513 -0.303608*CNFOOD92C/N
+0.0348670*TIME

ID0NEW203: ID0NEW203= 8.19862 +2.98922*MOVAVG(3 TO 1,JQIND20)

ID0NEW24: ID0NEW24= 11.9180 +17.1798*MOVAVG(1 TO 0,JQIND24)
-13.8479*MOVAVG(1 TO 0,JQIND24)*JRWSSNF/WPI08
-0.0335056*TIME

ID0NEW26&27: ID0NEW26&27= -1.58545 +0.0737566*MOVAVG(4 TO 1,ID0IP26&27)
+0.00596470*TIME

ID0NEW28: ID0NEW28= -2.59514 +0.528428*MOVAVG(2 TO 1,JQIND287)
-2.29839*DUM95ON +0.0336266*TIME

ID0NEW32&34: ID0NEW32&34= -1.73827 +0.0285219*MOVAVG(1 TO 0,ID0IP32&34)
-1.89165*JQIND34/E34
+0.0573669*((ID0NEW20\1+ID0NEW24\1+ID0NEWMG\1+ID0NEWCC\1
+ID0NEW26&27\1))

ID0NEW35: ID0NEW35= -3.70595 +0.616774*JQIND357 -1.34095*DUM861884
+0.0608103*TIME

ID0NEW35&36: ID0NEW35&36= ID0NEW35 + ID0NEW36

ID0NEW36: ID0NEW36= -6.96016 +0.895999*JQIND367 -1.14071*DUM801884
+0.0684442*TIME

ID0NMG: ID0NMG= 4*(ID0NPT-ID0NPT\1) - (ID0NB-ID0ND)/1000

ID0NPT: ID0NPT= -0.0791335 +1.01542*ID0NPT\1
+0.0666984*(ID0NEW\1/ID0NEW\5)/(EEA\1/EEA\5)

ID0WBB\$: ID0WBB\$= ID0WBBMF\$ + ID0WBBOTH\$ + ID0WBBCC\$ + ID0WBBF\$
+ID0WBBMIL\$

ID0WBBCC\$: ID0WBBCC\$= (ID0WRWCC\$*ID0NEWCC)/1000000

ID0WBBF\$: ID0WBBF\$= -0.382002 +0.495508*WPI02

ID0WBBMF\$: ID0WBBMF\$= (ID0WRWMF\$*ID0NEWMF)/1000000

ID0WBBMIL\$: ID0WBBMIL\$= 0.0367701 +0.128945*PCWC

ID0WBBOTH\$: ID0WBBOTH\$= ID0WRWOTH\$*(ID0NEW-ID0NEWCC-ID0NEWMF)/1000000

ID0WRWCC\$: ID0WRWCC\$= 8160.41 +1582.68*ID0AHEMF

ID0WRWMF\$: ID0WRWMF\$= -12509.5 +3591.33*ID0AHEMF

ID0WRWOTH\$: ID0WRWOTH\$= -5620.12 +2258.38*ID0AHEMF

ID0YDIR\$: ID0YDIR\$= 0.153982
+0.904905*((YINTPER+DIV+YRENTADJ)
* MOVAVG(4 TO 1,ID0YP\$)/MOVAVG(4 TO 1,YP))

ID0YFC\$: $ID0YFC\$ = -0.141617 + 0.818342 * ID0YFC\$ \setminus 1 + 0.147401 * WPI01$

ID0YINV&R\$: $ID0YINV\&R\$ = -0.0834809 + 0.672831 * ID0YINV\&R\$ \setminus 1 + 0.147306 * WPI01$

ID0YP: $ID0YP = ID0YP\$ / PCWC$

ID0YP\$: $ID0YP\$ = ID0WBB\$ + ID0YSUP\$ + ID0YDIR\$ + ID0YPRNF\$ + ID0YPRF\$ + ID0YTR\$ + ID0YRA\$ - ID0YSI\$$

ID0YPNF: $ID0YPNF = ID0YPNF\$ / PCWC$

ID0YPNF\$: $ID0YPNF\$ = ID0YP\$ - ID0YPRF\$ - ID0WBBF\$$

ID0YPNFPC: $ID0YPNFPC = ID0YPNF\$ / PCWC / ID0NPT$

ID0YPRF\$: $ID0YPRF\$ = 0.314346 + 318.888 * (((ID0CRCROP + ID0CRLVSTK + ID0YTRF\$ + ID0YINV\&R\$ - ID0YFC\$ - ID0EXFP) / 1000))$

ID0YPRNF\$: $ID0YPRNF\$ = -0.245149 + 0.00560021 * YENTNFADJ$

ID0YPTXB: $ID0YPTXB = (ID0WBB\$ + ID0YPRNF\$ + ID0YDIR\$ + (ID0YPRF\$ ID0YINV\&R\$ / 1000)) / PCWC$

ID0YRA\$: $ID0YRA\$ = -0.0365204 + 0.0207111 * ID0WBB\$$

ID0YSI\$: $ID0YSI\$ = -0.00870473 + 1.11332 * TWPER * ID0WBB\$ / WSD$

ID0YSUP\$: $ID0YSUP\$ = -0.0352199 + 1.01973 * YOL * (ID0WBB\$ / WSD)$

ID0YTR\$: $ID0YTR\$ = 0.151650 + 0.770273 * ((VGF@PER + VGSL@PER) * (ID0NPT / N))$

ID0YTRF\$: $ID0YTRF\$ = 0.0101261 + 0.0129827 * TRF\$$

YPADJ@ID: $YPADJ@ID = ID0YPNF\$ + MOVAVG(3 \text{ TO } 0, ID0YPRF\$) + MOVAVG(3 \text{ TO } 0, ID0WBBF\$)$

ENDOGENOUS VARIABLES

ID0AHEMF	Average hourly earnings in manufacturing
ID0AVGW\$	Average annual wage
ID0CRCROP	Cash receipts, crops, not seasonally adjusted
ID0CRLVSTK	Cash receipts, livestock, not seasonally adjusted
ID0EXFP	Farm production expenses
ID0GIA\$	Federal grants-in-aid to Idaho governments
ID0HSPR	Housing starts, total
ID0HSPRS1@A	Adjusted housing starts, single units
ID0HSPRS2A@A	Adjusted housing starts, multiple units
ID0IP26&27	Industrial production index, paper, printing, and publishing, 1987=1.0
ID0IP32&34	Industrial production index, stone, clay, glass, and concrete products and fabricated metals, 1987=1.0
ID0IPMFDNEC	Industrial production index, other durable manufacturing, 1987=1.0
ID0KHU	Housing stock, total
ID0KHU1	Housing stock, single units
ID0KHU2A	Housing stock, multiple units
ID0NB	Number of births
ID0ND	Number of deaths
ID0NEW	Employment on nonagricultural payrolls, total
ID0NEW10	Employment in metal mining
ID0NEW20	Employment in food processing
ID0NEW20@203	Employment in food processing, except canned, cured, and frozen
ID0NEW203	Employment in food processing, canned, cured, and frozen
ID0NEW24	Employment in lumber and wood products
ID0NEW26&27	Employment in paper, printing, and publishing
ID0NEW28	Employment in chemicals and allied products
ID0NEW32&34	Employment in stone, clay, glass, and concrete products and fabricated metals
ID0NEW35	Employment in nonelectrical machinery
ID0NEW36	Employment in electrical machinery
ID0NEWCC	Employment in construction
ID0NEWFIR	Employment in finance, insurance, and real estate
ID0NEWGOOD	Employment in goods-producing sectors
ID0NEWGV	Employment in government
ID0NEWGVF	Employment in federal government
ID0NEWGVSL	Employment in state and local government
ID0NEWGVSL@ED	Employment in state and local government, except education
ID0NEWGVSL@ED	Employment in state and local government, education
ID0NEWMF	Employment in manufacturing
ID0NEWMFD	Employment in durable manufacturing
ID0NEWMFDNEC	Employment in other durable manufacturing
ID0NEWMFN	Employment in nondurable manufacturing
ID0NEWMFNNEC	Employment in other nondurable manufacturing
ID0NEWMG	Employment in mining
ID0NEWMG@10	Employment in mining, except metal mining

ID0NEWNGOOD	Employment in service-producing sectors
ID0NEWNM	Employment in nonmanufacturing
ID0NEWSV	Employment in services
ID0NEWTCU	Employment in communications, transportation, and public utilities
ID0NEWWR	Employment in trade
ID0NMG	Net in-migration of persons
ID0NPT	Resident population
ID0WBB\$	Wage and salary disbursements
ID0WBBCC\$	Wage and salary disbursements, construction
ID0WBBF\$	Wage and salary disbursements, farm
ID0WBBMF\$	Wage and salary disbursements, manufacturing
ID0WBBMIL\$	Wage and salary disbursements, military
ID0WBBOTH\$	Wage and salary disbursements, except farm, manufacturing, and construction
ID0WRWCC\$	Average annual wage, construction
ID0WRWMF\$	Average annual wage, manufacturing
ID0WRWOTH\$	Average annual wage, except manufacturing, construction, and farm
ID0YDIR\$	Dividend, interest, and rent income
ID0YFC\$	Corporate farm income
ID0YINV&R\$	Farm inventory value changes, imputed rent, and income
ID0YP	Total personal income, 1992 dollars
ID0YP\$	Total personal income
ID0YPNF	Nonfarm personal income, 1992 dollars
ID0YPNF\$	Nonfarm personal income
ID0YPNFPC	Per capita nonfarm income, 1992 dollars
ID0YPRF\$	Net farm proprietors' income
ID0YPRNF\$	Nonfarm proprietors' income
ID0YPTXB	Tax base, 1992 dollars
ID0YRA\$	Residence adjustment, personal income
ID0YSI\$	Contributions for social insurance
ID0YSUP\$	Other labor income
ID0YTR\$	Transfer payments to persons
ID0YTRF\$	Government payments to Idaho farmers
YPADJ@ID	Adjusted total personal income

EXOGENOUS VARIABLES

CNCS92C	Personal consumption expenditures, clothing and shoes, 1992 dollars, chain weighted
CNFOOD92C	Personal consumption expenditures, food, 1992 dollars, chain weighted
CNOO92C	Personal consumption expenditures, other nondurable goods, 1992 dollars, chain weighted
CRCATCVS	Cash receipts, U.S. cattle and calves
CRCROP	Cash receipts, U.S. crops
DIV@PER	Personal Dividend Income

DUM801884
DUM861884
DUM87ON
DUM95ON
TIME

These are dummy variables used in regression equations for the purpose of capturing the impacts of discrete economic or noneconomic event such as SIC code changes, strikes, plant opening, or closures, unusual weather conditions, etc.

E20	Employment in food processing
E24	Employment in lumber and wood products
E26	Employment in paper and paper products
E27	Employment in printing and publishing
E28	Employment in chemicals
E32	Employment in stone, clay, and glass
E34	Employment in fabricated metals
E35	Employment in nonelectrical machinery
E36	Employment in electrical machinery
EEA	Total nonagricultural employment
EGF	Employment in federal government
EMD	Employment in durable manufacturing
EMI	Employment in mining
EMN	Employment in nondurable manufacturing
GF92C	Federal government purchases, 1992 dollars, chain weighted
GFO92C	Federal government purchases, nondefense, 1992 dollars, chain weighted
JQIND20	Industrial production index, food products, 1987=1.0
JQIND24	Industrial production index, wood and lumber products, 1987=1.0
JQIND25	Industrial production index, furniture and fixtures, 1987=1.0
JQIND26	Industrial production index, paper and paper products, 1987=1.0
JQIND27	Industrial production index, printing and publishing, 1987=1.0
JQIND287	Industrial production index, agricultural chemicals, 1987=1.0
JQIND32	Industrial production index, stone, clay, and glass products, 1987=1.0
JQIND33	Industrial production index, primary metals, 1987=1.0
JQIND34	Industrial production index, fabricated metal products, 1987=1.0
JQIND357	Industrial production index, office and computing equipment, 1987=1.0
JQIND367	Industrial production index, electric components, 1987=1.0
JQIND37	Industrial production index, transportation equipment, 1987=1.0
JQIND39	Industrial production index, miscellaneous manufactures, 1987=1.0
JRWSSNF	Index of compensation per hour, nonfarm business sector, 1982=1.0

N	Population, U.S.
N16&	Population, U.S., aged 16 and older
PCWC	Implicit price deflator, personal consumption, 1992=1.0, chain weighted
RMMTGNN\$	Effective conventional mortgage rate, new homes, combined lenders
TRF\$	Government payments to U.S. farms
TWPER	Personal contributions for social insurance, U.S.
VAIDGF@SL	Federal grants-in-aid to state and local governments
VGF@PER	Federal transfer payments to persons, U.S.
VGSL@PER	State and local transfer payments to persons, U.S.
WPI01	Producer price index, farm products, 1982=1.0
WPI02	Producer price index, processed foods and feeds, 1982=1.0
WPI08	Producer price index, lumber and wood products, 1982=1.0
WSD	Wage and salary disbursements
YENTNFADJ	Nonfarm proprietors' income (with inventory valuation and capital consumption adjustments)
YINTPER	Personal interest income
YOL	Other labor income, U.S.
YP	Personal income
YRENTADJ	Rental income of persons with capital consumption adjustment

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